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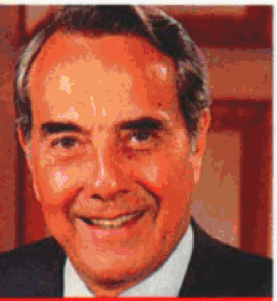

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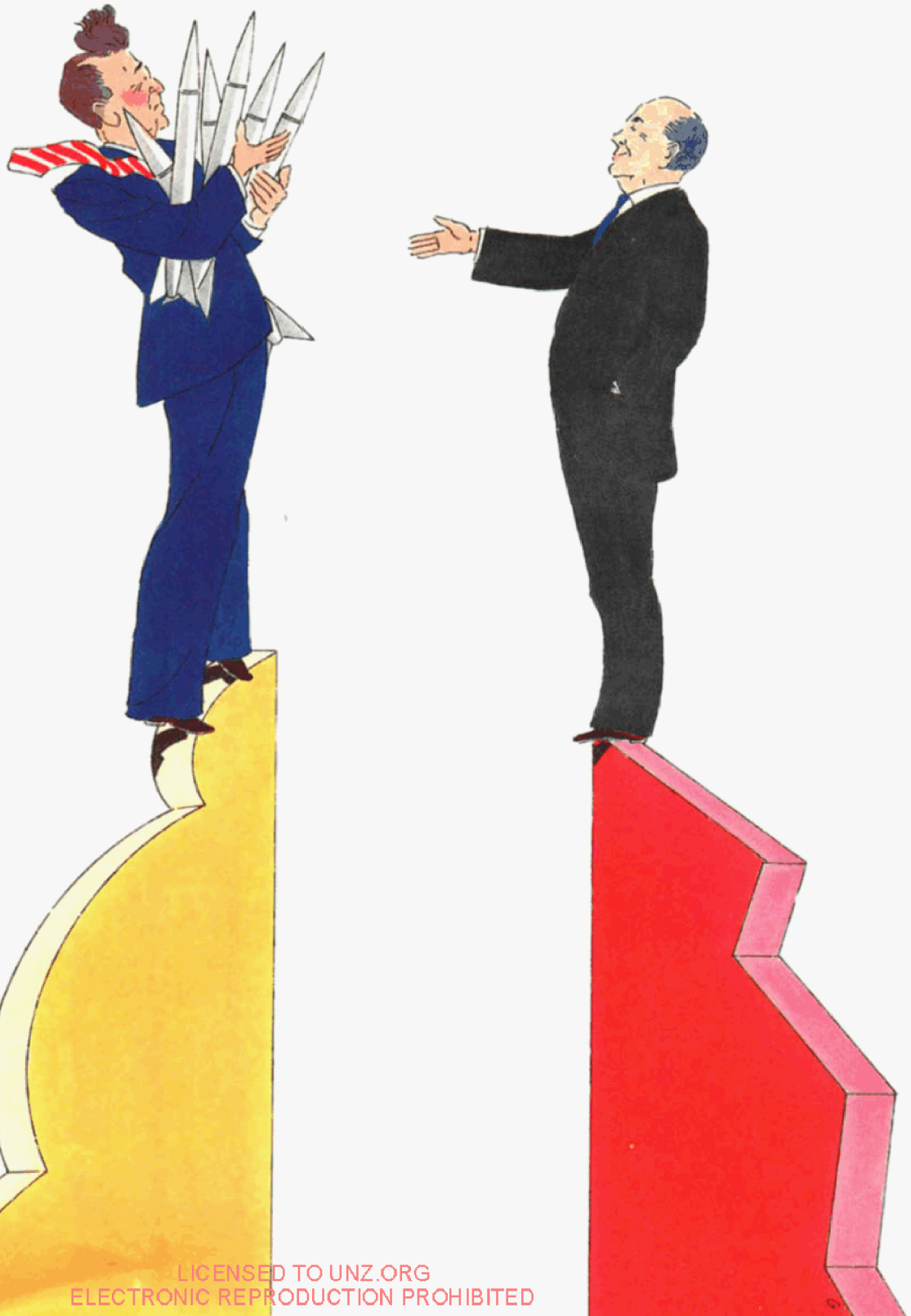

Devil in Your Credit Card

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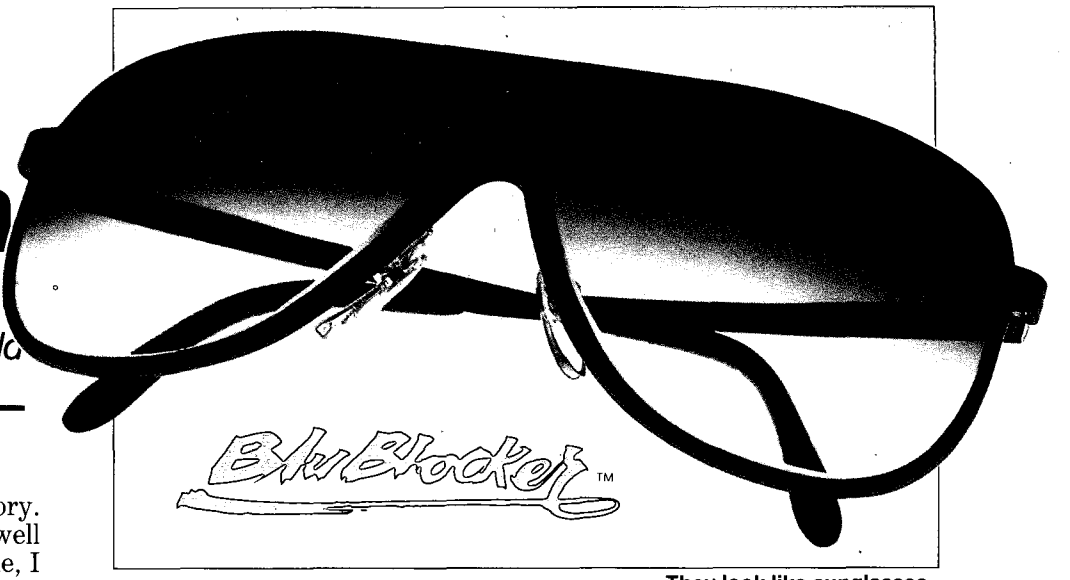
Vision Breakthrough

When I put on the pair of glasses what I saw I could not believe. Nor will you.



They look like sunglasses.

By Joseph Sugarman

I am about to tell you a true story. If you believe me, you will be well rewarded. If you don't believe me, I will make it worth your while to change your mind. Let me explain.

Len is a friend of mine who knows good products. One day he called excited about a pair of sunglasses he owned. "It's so incredible," he said, "when you first look through a pair, you won't believe it."

"What will I see?" I asked. "What could be so incredible?"

Len continued, "When you put on these glasses, your vision improves. Objects appear sharper, more defined. Everything takes on an enhanced 3-D effect. And it's not my imagination. I just want you to see for yourself."

COULDN'T BELIEVE EYES

When I received the sunglasses and put them on I couldn't believe my eyes. I kept taking them off and putting them on to see if indeed what I was seeing was indeed actually sharper or if my imagination was playing tricks on me. But my vision improved. It was obvious. I kept putting on my $100 pair of sunglasses and comparing them. They didn't compare. I was very impressed. Everything appeared sharper, more defined and indeed had a greater three dimensional look to it. But what did this product do that made my vision so much better? I found out.

The sunglasses (called BluBlockers) filter out the ultraviolet and blue spectrum light waves from the sun. Blue rays have one of the shortest wavelengths in the visible spectrum (red is the longest). As a result, the color blue will focus slightly in front of the retina which is the "focusing screen" in your eye. By blocking the blue from the sunlight through a special filtration process, and only letting those rays through that indeed focus clearly on the retina, objects appear to be sharper and clearer.

The second reason is even more impressive. It is harmful to have ultra-violet rays fall on our eyes. Recognized as bad for skin, UV light is worse for eyes and is believed to play a role in many of today's eye diseases.

SUNGLASS DANGER

But what really surprised me was the danger in conventional sunglasses. Our pupils close in bright light to limit the light entering the eye and open wider at night like the lens of an automatic camera. So when we put on sunglasses, although we reduce the amount of light that enters our eyes, our pupils open wider and we allow more of the harmful blue and ultraviolet light into our eyes.

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I'm often asked by people who read this, "Do those Blu-Blockers really work?" They really do and please give me the opportunity to prove it. I guarantee each pair of BluBlockers to perform exactly as I described.

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I urge you to order a pair and experience your improved vision. Then take your old sunglasses and compare them to the BluBlocker sunglasses. See how much clearer and sharper objects appear with the BluBlocker pair. And see if your night vision doesn't improve as a direct result. If you don't see a dramatic difference in your vision—one so noticeable that you can tell immediately, then send them back anytime within 30 days and I will send you a prompt and courteous refund.

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Free Minds & Free Markets

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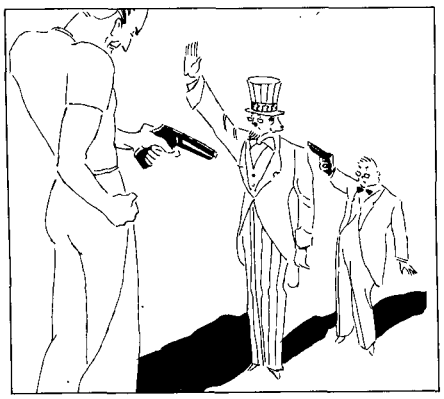

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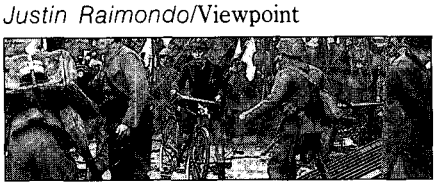

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letters

Same Time, Same Station

T. A. Heppenheimer ("The Space Station Nobody Wants," Feb.) leaves out three important factors in his clear and rational explanation of the political and bureaucratic reasons why the space station shouldn't (or won't) be built: the past, the future, and the American people.

Calvin Coolidge is reported to have inquired when asked to fund America's first Army airplanes, "Why not buy one and let the pilots take turns flying it?" Gen. Billy Mitchell was cashiered for declaring his superiors irresponsible for the same kind of short-sighted political-expedient reasoning attributed by Heppenheimer's article to the administrators of NASA and government officers whose decisions influence development of space by Americans. But when the pressures of war compelled the bureaucrats to take a second seat to the engineers and entrepreneurs, American air power won World War II and has been the controlling factor in all military and commercial endeavor since.

Letting the USSR or anyone else have the controlling presence in space is like being able to build the best ships in the world but refusing to go to sea. It is abdication of world power. In the next century, military, economic, and thus political control will belong to the nation or other organization which controls the "high ground" of space.

In the USSR, the people do not have to be persuaded or "sold" the program in order for it to be pursued. In America, representatives are elected by championing that which moves the people emotionally. No matter how good our unmanned scientific and military space equipment is, Americans will be moved only by Americans working in space, in TV-broadcast competition, and making money doing it. The permanent presence of an American space station may be of questionable relative value to scientists and soldiers, but it is the best way to hold the interest of the public and also the best base of opportunity for small entrepreneurial access to space. When that becomes affordable, not even Mr. Heppenheimer will have trouble finding people with use for it.

James Nathan Post
Las Cruces, NM

BACK IN 1977, when Tom Heppenheimer's book on space colonies was published, I heard from his literary agent a story that reflects great credit on the author. According to the story, he turned down a much more lucrative publication opportunity because it would have involved some sensationalist hokum.

So what is Tom doing on your pages, amid put-down visions of the space station that range from juvenile to pathological? I hope that what I suspect is true: that he got snookered by your staff, and had no foreknowledge of the cartoons.

There is no denying, though, that the tenor of the cover cartoon is in keeping with the article's perceptions of President Reagan: a cowboy of vacuous intellect, attracted to space for a child's reasons. That is especially distressing because it comes from an author who has heaped praise on John Kennedy for his "leadership and vision" in sending men to the moon. There is nothing on record to indicate that Kennedy ever saw the moon shot as anything but a publicity stunt to upstage the Russians.

By contrast, Reagan seems to have grasped the main point: that space is a strategic place to *be*, a physical frontier that is going to be settled. His responsiveness to the "Isabella and Columbus" analogy speaks volumes: the vision that appeals to him is the space colonists' own. If it were true that the space station had no political support outside the President's own—though this is an exaggeration—that would speak all the more for the man's genuine leadership quality.

The space station, though, does have a constituency beyond "NASA's corporate clients," and Tom Heppenheimer of all people ought to know who we are: exactly

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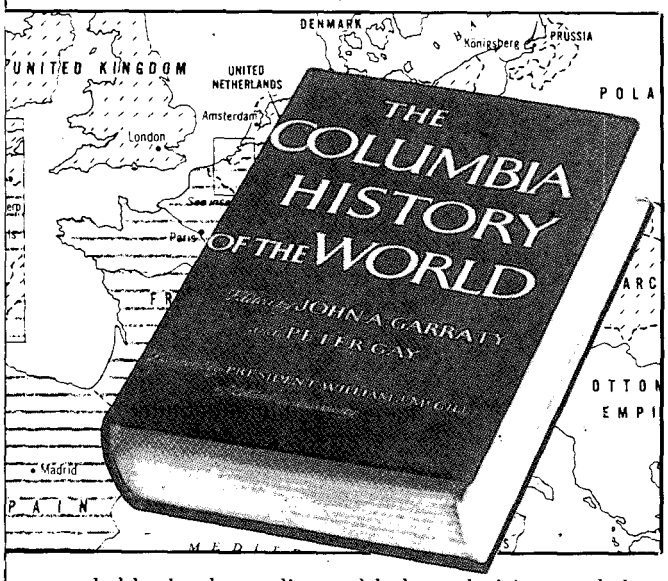

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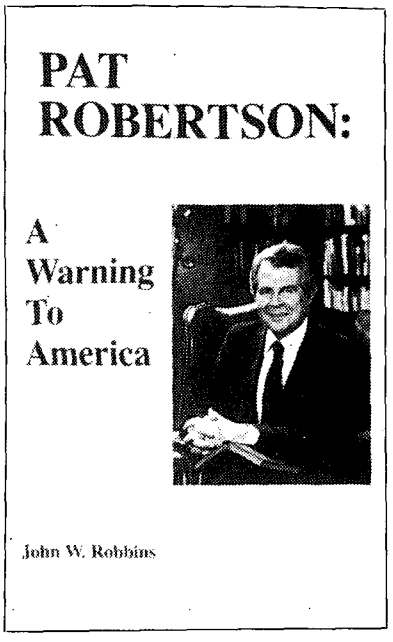

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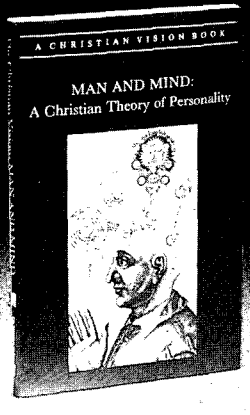

Why are so many psychologists hostile to religious explanations of human behavior? In what has been hailed as a path-breaking study, nine psychologists, theologians and philosophers offer the reason: Thomas J. Burke, Stephen R. Briggs, Mary Vander Goot, Paul C. Vitz, Charles Ransford, Merold Westphal, William Kirk Kilpatrick, John S. Reist, Jr., and Mary Stewart Van Leeuwen.

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letters

those who take space colonies seriously. If this is not the most populous constituency in the land, it is at least a determined and capable one and deserves better than to be tarred with the implication of venal motivations.

Dick Fredericksen
White Plains, NY

W. C. FIELDS ONCE ASKED, "You ever do some boondoggling?" Maybe he was thinking prophetically of NASA. Seriously, the issue really is one of coercive (tax) funding versus commercial space development, and not just the space station.

Kenneth H. Fleischer
Los Angeles, CA

New Robber Barons

Bravo! to Sarah Foster for her exposé of the "redevelopment" scam operating in Hollywood ("Invasion of the City Snatchers," Jan.). Ten years ago, I was involved in the opposition to a similar redevelopment effort in Santa Barbara. The agency had designated 900 acres of one of the nation's most genteel, most elegant, most beautiful downtown areas as "blight" —mostly in secret from the community at large. Though I do not know the eventual fate of that effort, I am still infuriated at the agency's elitist arrogance, self-serving mendacity, and hypocritical cordiality—traits all too well depicted in Foster's article. I hope this awakens your readers to the new robber barons in our midst.

Michael J. Dunn
Auburn, WA

DeBorkery, Rights, and Wrong

The best summary of the deBorkery was by the "Sledge Hammer!" TV show. There was portrayed a criminal rampage conducted by an android robot named BORC who was described as "perfect except for one detail: He had no sense of right and wrong." BORC eventually destroyed himself by trying to follow two masters simultaneously in opposite directions.

Scripts by George H. Smith, Wendy McElroy & Jeffrey Hummel

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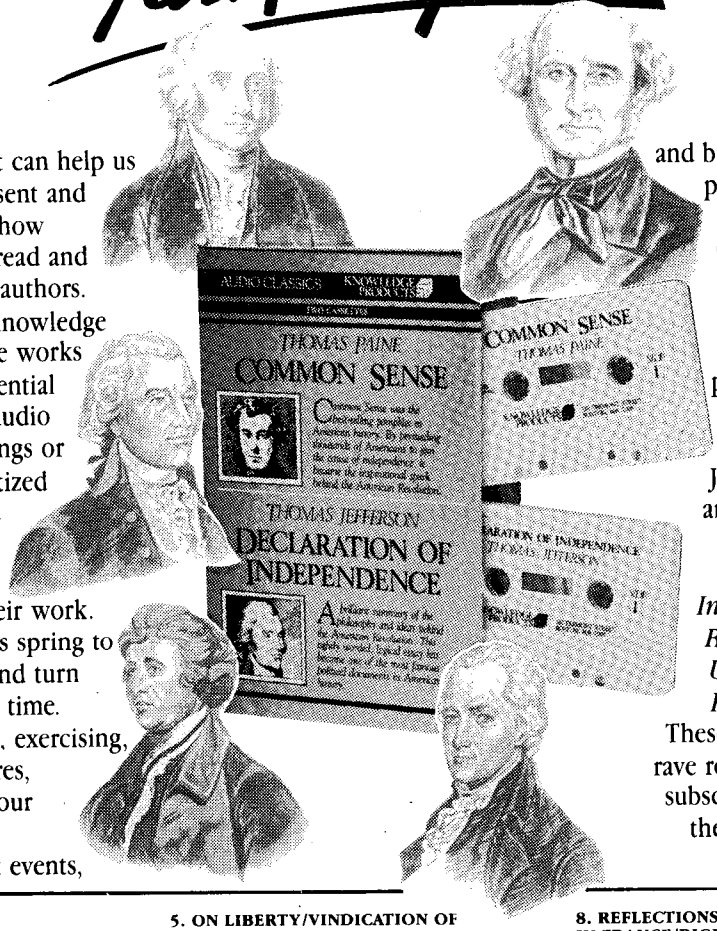

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letters

Mark S. Pulliam and Mark W. Smith ("Beyond Bork," Feb.) are wrong to say "We are no more secure from tyranny if the judges are activist...libertarians." The only liberty endangered thereby would be that "most important liberty" proffered by the essayists: "the right of democratic self-government." Democracy is government of self by others, and others by self, not self-government.

If a statute or constitution said, "Indians must be slaughtered," I'd welcome a judge's ruling that "slaughtered" meant "left alone." And I don't care whether the judge finds that meaning in the original intent of the legislators, in contemporary language, or wherever. I'm for lying and cheating if it'll advance liberty.

It's easy to see that U.S. courts are not independent of the rest of the government; where do judges' paychecks come from? The political nature of courts is just as evident. Judges issue *opinions*. When the bench is divided, they *vote*. Under the robes, naked politics.

Fearing loss of "the rule of law," some would transfer respect for liberty to respect for a constitution. Then one day the procedurally correct death camp warden drags away the children who have been taught to respect police.

Robert Goodman
Bronx, NY

MESSRS. PULLIAM AND SMITH make the same mistake the forefathers hoped the 9th Amendment would prevent. The Supreme Court does not have to "invent" rights that are not denied by the Constitution. The people have them until they are denied by the Court's "interpretation," in lieu of enforcement, of the Constitution.

Bill Fargo
Denver, CO

TIBOR MACHAN'S AND Stephen Macedo's views on the correct role of the Constitution are understandably appealing, especially to libertarians who, as a rule, enjoy highly philosophical discussions of ethics and rights theory. But I fear that this appeal is more the product of rhetorical excess than of sound reasoning.

Machan and Macedo each criticize Judge Bork for denying that the Constitution is more than a legal document. These two scholars, in contrast to Bork, see the Constitution more as an open document on which to inscribe political and ethical principles. But the Constitution *is* "merely a legal document." The purpose of the Constitution is to create a national government with certain powers and, most importantly, to restrain the scope and reach of the national government so that it does not exercise any but these certain powers. The role of the federal judiciary is to enforce the Constitution *as a legal document*. The judiciary should not use this document as a scratch pad for notes taken during never-ending debates on morality and ethics.

Machan and Macedo fall into the alluring trap of modeling the judiciary as a sort of grand forum for scholarly debate about, and enforcement of, ethical principles—with the Constitution as the scratch pad whose contents change whenever the momentum of the debate changes. If "our" side is currently winning this debate in the chambers of the Supreme Court, fine: We have a free hand in trying to restructure society to our liking.

But what happens when our side is losing the debate (for example, the Warren Court era)? It is precisely at such times that the Constitution as a legal document is most valuable: legal documents are immune to the fickle fads of the intelligentsia's political and ethical philosophy. Unfortunately, the problem during the era of the Warren and Burger courts was that the status of the Constitution as a legal document was undermined. Instead, the Constitution was used—illegitimately—as a license to impose on the citizenry a particular set of ethical norms.

Judicial restraint as advocated by Bork may not lead to a perfect world, but considering the likely alternatives—again, I offer the Warren Court as an example—I trust that my freedoms are in least danger when the judiciary behaves according to Judge Bork's prescription.

Don Boudreaux
Fairfax, VA

Wildavsky Gets the Last Word

I appreciate the letters of approbation and complaint (Dec. and Jan.) but would like to respond to them: Jon Basil Utley writes of the "first law of war, to win without fighting" (Dec.). The Soviet missiles were put in to intimidate. I hardly see how taking them out improves their ability to threaten.

Besides, it takes two to capitulate. If the Europeans do not engage in preemptive surrender, the point is, the Soviet Union will not risk attacking them because that would risk nuclear war without the benefit of eliminating the United States, the only power that can control Soviet behavior. Whether or not some Soviets profess a belief in winning a conventional war, therefore, a main force attack against Western Europe would be still more irrational than a surprise nuclear attack on the United States.

Discovery of hidden Soviet missiles would represent a great danger to the Soviet Union, because it could expect to lose the ensuing arms race. If discovery was met by capitulation, that aim could better be achieved by surrender now.

At the last four decades' rate, Soviet conquest of small nations is going to take an awfully long time. In any event, like imperialists of old, they have yet to gain a prize that brings in more than it costs. Given the nature of socialist systems, if the Soviets cannot win a war in half an hour, they won't win at all. Strangely enough, it is free peoples and free economies who have what it takes to prevail in the long run.

Aaron Wildavsky
Berkeley, CA

Demographic Demagogues?

"The most decisive mark of the prosperity of any country is the increase of the number of its inhabitants." That's a quote from *The Wealth of Nations* by Adam Smith. Ever since I read that, I've been thinking about what it implies for popular attitudes toward immigration and population growth. That's why I was interested in Tyler Cowen's article, "Bedroom Call to Arms" (Feb.).

I must assume Adam Smith would accept a modification of his theory: "Given an equal degree of individual freedom, the most decisive mark..." or "Given a certain minimum degree of individual freedom, the most decisive mark..." The theory then could remain consistent with the

letters

fact that total fertility rates (TFRs) are highest in the Third World where prosperity appears lacking.

I'll bet old Adam is right on the money. It was Adam Smith, after all, who taught us that people create their own wealth, so more people (modified by freedom) should equal more wealth. But are varying TFRs in different countries a function of varying degrees of freedom? Does increasing prosperity slowly decrease freedom and, therefore, lower TFRs, or is procreation a form of emigration by which a part of us escapes from an impoverished past to a prosperous future?

David E. Gallaher
Cincinnati, OH

TYLER COWEN MOST CLEARLY identified the motives of the underpopulationists when he mentioned that Nazi Germany was ardently pro-natalist in government policy. The reason most pro-natalists are negative toward immigration is that immigrants to the United States do not represent the blue-eyed, blond-haired ethnic classes of northern Europe in sufficient numbers to please those people who are concerned about Western (read: white) values. I have spent a number of years studying the literature of white racists, and their major complaint is that their tribe does not place enough value on their race to out-multiply the non-Aryans.

I do not know if the Robertson campaign people are cynically appealing to this group by their pro-natalist position or whether they actually believe that a native-born American is better than a foreign-born one. However, I do know that the white-tribalist motive of some pro-natalists is too real (and too dangerous) to be glossed over or ignored.

Frederick G. Schantz
Hastings, MI

How to Lend a Hand

I was pleased to read about the Trickle Up Program (Spotlight, Feb.). The Leets deserve applause for their innovative and insightful tactics for promoting self-sufficiency among the poor. A similar group, Accion International, employs an even more radical tactic: the small-business loan. They make market-rate loans to individuals or small enterprises who have no other source of help. Their default rate is lower than the banks who would never consider such "poor risks." Your readers can contact A.I. at 1385 Cambridge Street, Cambridge, MA 02139.

T. D. Burns
Austin, TX

Editor's note: Readers may contact the Trickle Up Program at 54 Riverside Drive, PHE, New York, NY 10024.

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Marty Zupan

Beyond Contra Aid

Six years of off-again, on-again funding have left the Contras dangling by a thread. Such an irresponsible policy satisfies no one—not the conservatives who worry about Nicaragua becoming another Cuba nor the liberals who are upset about our attempting to overthrow an admittedly undemocratic government.

We are long overdue for a credible alternative policy toward Nicaragua, one that Americans can unite behind. While such a plan would not attempt to topple the regime in Nicaragua, neither would it rely on "defending our country only at the Mexican border."

1. First of all, tell Daniel Ortega in operational terms what we view as a clear and present danger to our national security interests in Central America: Examples probably include the introduction of high-performance aircraft such as the MiG-21, invasion of another country, attempts to jeopardize the Panama Canal, and surely Soviet basing of missiles and submarines. Make the list specific and the items verifiable. Be prepared to use U.S. air and naval power to enforce the limits.

2. Make Soviet military aid to the Sandinistas a priority issue in negotiations with the Soviets. Moscow is providing about $1.5 billion a year in economic and military aid to Nicaragua—over 90 percent of it military. This should be of grave concern to us. Nicaragua already has by far the largest military in Central America and recently revealed plans to more than double its troop levels, to 600,000, and introduce sophisticated weaponry by 1995.

But the Sandinistas cannot possibly achieve their planned militarization without massive infusions of aid from their Soviet comrades. Our method of dealing with this has been to try to raise the cost of Soviet assistance via the Contras—an indirect strategy paid for not only in U.S. tax dollars but in Nicaraguan lives.

This is not an issue between the United States and Nicaragua. It is between the United States and the Soviets. The Soviets are so eager to deal on other issues? Fine, let's not be wimps about "linking." We can force their hand on this item as a condition of our willingness even to come to the bargaining table on strategic nuclear forces or whatever they are begging to negotiate.

Of course, if it's "too small an issue" to risk torpedoing an agreement over nukes, that's different. But then we should be honest about how threatening the Soviet presence in Nicaragua really is.

3. Discontinue all *government* assistance to the Contras. In general, aid to resistance movements is fraught with difficulties: Just as with welfare, the government runs the risk of creating permanent dependents. Just as with a planned economy, the government has no special ability to pick winners. The assistance is probably most effective if secret, but secrecy for very long is inimical to a free society. If the effort appears successful, there are intractable problems with when to cut off aid (as we're discovering now in Afghanistan) and what responsibility we bear for the regime that comes to power.

In addition, we have a history of intervention in the region that gives someone like Ortega a rhetorical, guilt-inducing edge the minute the U.S. government lifts a finger. One major benefit of cutting off government funding of the Contras is that it would remove this excuse for the Sandinistas' military buildup and insistence on dictatorial powers.

4. Allow any and all *private* aid to the Contras. This will put the Contras on the same footing as the Sandinistas, who are the beneficiaries of U.S. citizens' donation of funds, medicine, and other goods, including their own labor (and for all we know, arms).

At the same time, as the Reagan administration has already made moves to do, establish a clear and well-publicized prohibition on any government officials soliciting or funneling money or arms for or to the Contras. The point is to leave Americans free to express moral outrage over the Sandinistas' oppressive regime (or to express sympathy for the Sandinista revolution) but to keep the U.S. government out of this effort. True, the Sandinistas can still try to use private aid as evidence of "Yanqui imperialism." But if the government is clean and insists that our citizens can and do support whichever side they choose, the rhetorical force of this accusation will be lost.

To be effective in removing the threat of Uncle Sam's intervention from Ortega's bully pulpit repertoire, the government must be in a position to take "the Gary Hart challenge": "Put a tail on us. You won't find anything." This requires putting teeth in the ban—significant fines and prison terms for government officials who violate the law. And, of course, it requires a president who knows what his executive branch is up to.

5. Clean up our foreign aid act. We worry that the poverty of neighboring countries provides fertile soil for the Sandinistas in their professed goal of sowing the seeds of leftist revolution. But at the same time, we back not just neutral but anti-free-market "reforms" with U.S. technical and financial assistance. As David Asman recently reported in the *Wall Street Journal*, U.S. aid to El Salvador since 1980 has made a shambles of that country's economy. "It's bad enough that we had to be guinea pigs in a U.S. social experiment," complained one opposition leader there. "But at least it could have

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been a free-market experiment instead of a socialist one." This is unconscionable and obviously counterproductive.

6. Without throwing our weight around, use liberally the force of rhetoric and diplomacy to support regional efforts toward peace and freedom. The Central Americans have a direct incentive to see to it that the Sandinistas don't "export their revolution." That is clearly one objective of the Arias plan, hence the accord's provisions for signatory nations eventually to negotiate troop and armament levels, hence Arias's critical reaction when a Sandinista defector revealed in December the plans for a massive military buildup.

We should milk the Central Americans' resolve to deal with the Sandinistas for all it's worth. On-the-street surveys in Nicaragua's neighbors demonstrate that, when it comes to the Marxist regime in Nicaragua, the people closest to them seem to assess their intentions and virtues more realistically than the citizens of the United States and certainly more honestly than the denizens of Capitol Hill. According to polls conducted by Gallup's Costa Rican affiliate, large majorities in Costa Rica, Honduras, El Salvador, and Guatemala believe that the government of Nicaragua treats its people unjustly and represents only a minority of its people.

This program focuses cleanly on the primary duty of government in a free society: defense of the nation. While it may pain us to see in Nicaragua an all-powerful state more oppressive than its Somocista predecessor, we simply cannot hope to solve this problem for the Nicaraguan people, by the coercive power of our state, and remain true to our principles of liberty and democracy. But we can and should encourage private citizens and Central Americans to take an active role in undermining the Sandinista state.

And to the extent that Nicaragua *is* our problem—that is, to the extent the Marxist Sandinista regime poses a potential threat to the security of the United States—we must address that problem directly at its source, by drawing a line which the Soviets and the Sandinistas must not cross.

Banned from the Bench?

Virginia I. Postrel

Bernard Siegan, says People for the American Way, is as bad as Robert Bork—only worse: "Siegan's views are extreme and exhibit no commitment to the protection of liberty and individual rights."

People for the American Way is lying. And it is lying in a way that is dangerous to the individual liberties and independent judiciary it claims to support.

Siegan, a University of San Diego law professor, was nominated to the Ninth Circuit Court of Appeals over a year ago. Since then, apparently deliberate delays by his opponents have kept the Senate from voting on his nomination.

The debate over Siegan shows how debased the judicial nomination process has become—and how reluctant both Congress and lobbying groups are to make fine distinctions.

For starters, Siegan is *not* another Robert Bork. True, he believes that applying the intent of the Framers and a strict constructionist approach to the Constitution "is most consistent with the notion that justice demands the rule of law and not of individuals."

But in defeating Bork, the Senate voted down a judge who would grant legislators more power over individuals. Siegan, on the other hand, would limit lawmakers' most cherished privilege—the ability to restrict, control, and outlaw individuals' economic choices.

And, while opponents nitpick about his esoteric approaches to such cases as *Brown* v. *Board of Education*, what they're really worried about are Siegan's economic views. These views make Siegan "not a judicial conservative but an ideologue of the right," says Harvard professor Laurence Tribe, a noted ideologue of the left. (Interestingly, Tribe's colleague Alan Dershowitz—the nation's leading civil liberties attorney—strongly backs Siegan.) Siegan's belief that the Constitution protects economic rights takes him "into the realm of the bizarre," says Mary D. Nichols of People For.

What are these weirdo views? "A judicial system more concerned to protect the power of government than the freedom of the individual has lost its mission under the Constitution," writes Siegan in his 1980 book, *Economic Liberties and the Constitution*. "In a society that extols private property and private enterprise, those who engage in economic activities in reliance on existing laws are entitled to be secure against arbitrary and confiscatory government actions." The Constitution's guarantee of due process and ban on laws "impairing the obligation of contracts," he believes, should invalidate, or at least restrict, a host of economic regulations—from zoning restrictions to the minimum wage.

These are controversial views. But Siegan is by no means the only legal scholar to subscribe to them, in one form or another. Nor would he be the only judge to have criticized court decisions that eroded economic rights.

His opponents are trying to stifle intellectual debate about the meaning of the Constitution. Siegan is a professor, whose writings reflect the theoretical work proper to the academy. But, his opponents imply, some legal theories are *verboten*—no matter how carefully argued or backed by evidence. "The Supreme Court has held to the contrary " is People For's favorite litany.

Unlike professors, appeals court judges are supposed to follow precedent—and Siegan has said that he will. If he strays, his rulings will be overturned or, more likely, he will find himself a minority of one in his own court.

But we have to wonder, since People For believes so strongly in the Supreme Court's infallibility, how that group would react to a scholar who decried the *Hardwick* decision, which upheld Georgia's sodomy statute. Or, in an earlier era, *Plessy* v. *Ferguson*—a landmark vote to support a law that infringed freedom of contract by forcing railroads to segregate passenger cars, regardless of what they or their customers wanted.

Siegan, says People For, "urges more stringent protection for property rights than individual liberties." This is a false dichotomy. Acting as if property rights were held by buildings rather than individuals is like saying freedom of the press belongs to the machines that do the printing. Life, liberty, and property—as the Constitution twice refers to basic rights—are intertwined. Judges who believe in protecting all three should not be banned from the bench. ◻

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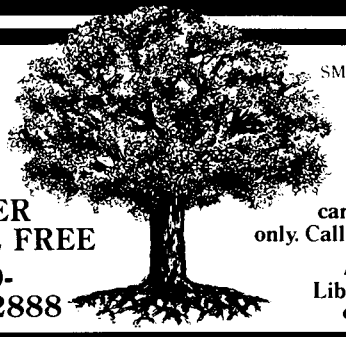

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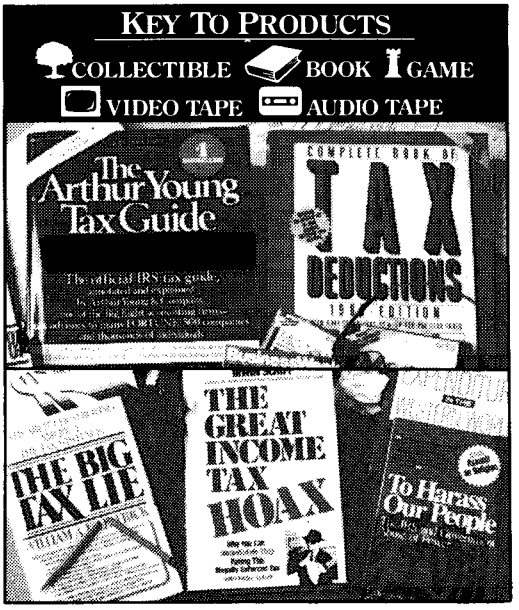

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Illinois officials figure if they can't stamp out illegal drugs, they might as well try to make a buck off them. A new law requires drug pushers to buy tax stamps: $5 for a gram of marijuana, $250 a gram for other drugs, and $2,000 for each batch of drugs not sold by weight. No dealers purchased the stamps, but several stamp collectors did. The law says dealers needn't fear incriminating themselves by buying the stamps. No one will even ask for their names. Dealers who are caught and don't have the stamps will be subject to four times the amount of the tax, a $10,000 fine, and three years in prison.

Marina Pristavka, who worked in a Moscow optical-mechanical plant, was a model employee—so she's been sent to a psychiatric clinic. "She must be sick," said her boss. "She is not afraid to tell the truth, even to the authorities." Marina criticized lazy coworkers and seemed overly eager. Her boss told her to go to the clinic to cure her antisocial behavior. A physician there ordered her confined to a mental institution. Marina wrote a letter of complaint to a Soviet newspaper, which said the doctors had grossly violated regulations. Maybe Marina will learn her lesson and goof off.

Mail carrier Gary Craycroft thought he was just doing what any red-blooded American would do. He jumped into a driverless car and stopped it before it hit an elderly woman and a couple of gas pumps. Was the injured Floridian honored for his heroism? Not a chance. Jim Danahy, branch manager of his post office, issued a letter of reprimand, charging Craycroft with "an unsafe act resulting in personal injury" while on duty.

Peter Baghdasarian of Uxbridge, Massachusetts, thought he had a right to install a faucet in his home. The amateur plumber defied a state law saying plumbing must be done only by licensed plumbers. Then he invited a police officer, the president of a plumbers' group, and a plumbing inspector to watch him turn on the spigot. The head of the Health Board promised to file a complaint.

"I pledge allegiance to the malt, hops, and water of which it stands, one brewery under the Fatherland..." Nonsense? Well, yes. But brewers in West Germany drafted a pledge to show their support for a 500-year-old law that says beer must be made only from malt, hops, and water. The action comes in response to the audacious opinion by Common Market officials that the 1487 decree, issued by Munich's Duke Albrecht IV, is a restraint of trade. Although beer containing other ingredients doesn't sell very well in Germany, the Munich Brewery Association explains that brewers want to demonstrate their loyalty to the law. Malt and hops, über alles?

New York City school custodians really know how to clean up. And we don't mean school buildings, we mean financially. According to a report issued by the president of the city council, custodians are paid on average more than $50,000 a year. Elementary school principals, by comparison, earn about $55,000. Some janitors augment their salaries by "caring" for a second school temporarily. That doesn't mean they do any extra work—it means they pick up a second paycheck while the school looks for another janitor. Custodians aren't required to clean a rest room more than once a day, even if a child has an accident. And they don't have to move desks, repair doors, or clean graffiti unless they're paid extra. Nice work if you can get it.

An Honesty in Government award should go to Sen. Wyche Fowler Jr. (D-Ga.). During a recent hearing, the senator looked at the clock and said, "Mr. Chairman, the hour is late, and so I won't end with the usual rhetoric." Committee chairman David Boren of Oklahoma was shocked. "If that sort of thing becomes a habit in the Senate," he said, "there's no telling where it might lead."

—Mark Edward Crane

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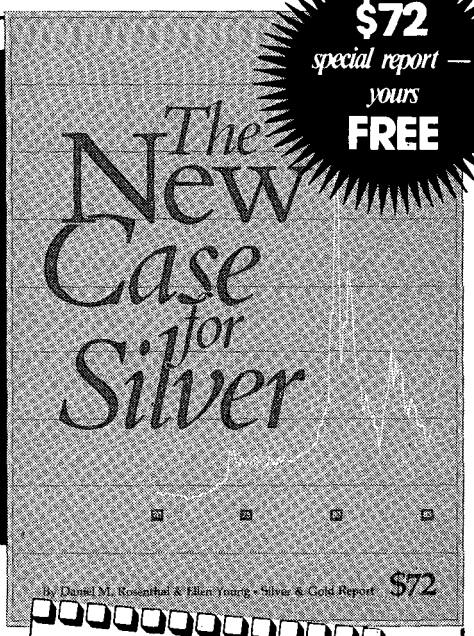

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trends

Private Eyes—a Chance to Watch

If you want to know about secret laser-weapon bases in the Soviet Union, you won't get the information from the Pentagon. In fact, you're better off sidestepping the government altogether and going to a private satellite operator.

These companies, which have had U.S. security watchers in an uproar, have become the general public's eye in the sky—revealing so far not American secrets but those of the Soviet Union and other closed societies. Currently, commercial satellites can produce images of objects on the ground as small as 10 meters wide. Media organizations are excited about the possibilities of the satellites and have become eager early customers.

And would-be censors in the United States have given up in light of mounting foreign competition. Last fall, the French SPOT satellite took a look at two Soviet Star Wars facilities, capturing images of antiballistic missile and laser-weapon test sites.

And Space Media Network, a private Swedish company, announced that it had taken pictures of another laser-weapon facility—this time at the Sanglok observatory in one of the USSR's central Asian republics. *Pravda* vigorously denied the report, claiming the observatory "is intended for optical observation of celestial bodies, including artificial Earth satellites. All the facility has is a one-meter telescope."

Ironically, the Soviets have started their own service, which sells photos from a military space camera and can see objects as small as five meters wide. But the new service, called Soyuz Karta, won't sell pictures of the Soviet Union or "other socialist countries."

Potential customers aren't enthralled with the Soviet satellite, however. As Mark Brender of ABC News told *Science*, "The Soviets are not known for their business flair; they are like reluctant vendors with their hands tied by political and institutional restraints."

Meanwhile, a few U.S. firms are taking advantage of the new market. Kodak has formed a subsidiary to process satellite images. And EOSAT, the company that privatized Landsat, says it wants to launch a new eye in the sky called STAR that could resolve five-meter images. STAR's services would be sold by subscription, rather than per photo, mainly to the media.

Thanks to the U.S. government's recent decision to accept the inevitable and loosen controls on what information American-owned satellites can give the public, we can expect many more such private eyes. Which proves, once again, that there's nothing like a little foreign competition.

Out of the Mouths of...

Francisco Fley, a first lieutenant in the Sandinista army, extending a welcome to Contra rebels who might lay down their arms:

"We understand that the Contras are fighting against a revolutionary project, not against the people. They have been manipulated by the Reagan administration....When their dollars disappear, they will see how they have been used. They can come home and help the revolution."

Luis Adan Fley, "Comandante Johnson" in the Contra army and Francisco's brother:

"They tried everything to convince us that the peace agreement made it pointless to keep fighting. But our fighters were not impressed. Many of my men saw that their fathers, their uncles were still in prison."

Debunking the Debtor Nation Myth

It made for a pretty scary news story: at the end of 1986, according to the Commerce Department, the United States was the world's largest debtor, with a net negative balance of $264 billion in international assets and liabilities. It wasn't long before pundits were raising alarums about the United States defaulting on loans like a Third World country. A recent opinion piece in the *Wall Street Journal*, however, has a different story to tell.

The Commerce Department didn't properly value the assets and liabilities of the United States, argue Charles Wolf, Jr., director of the Rand Corporation's research on international economic policy, and Sarah Hooker, a Rand con-

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Capitalism for Kids by Karl Hess is unlike any book you have ever read. For the very first time, free market economics is presented simply and clearly. And, it teaches the most practical skill of all—how to make money.

The book is aimed at teaching business to kids in the 9 to 19 age group. Any young person you know who has entrepreneurial ambitions should read this book. It presents why and how you can earn a profit in business while still maintaining the highest possible standards of honesty and integrity.

Capitalism for Kids is fun to read and the ideas it presents are truly unique. It is written in a lively style with lots of useful examples.

Here are a few highlights revealed:

- A self test to help determine how enterprising the young reader really is.
- A special section for parents to show how you can help your child become financially successful.
- What young people need to know about working for themselves.
- How to make any product or service really stand out.
- How managing money and time is crucial.
- All about taking risks.
- How to get the most from an education.
- Setting up a family company.
- What type of college education is the most useful.
- Improving the education received at home.
- Using computers as handy business and financial aids.
- Where high school entrepreneur clubs are located.
- Why doing volunteer work can often be one of the best ways to start a business career.
- A practical review of laws, licenses and liabilities.
- Three common types of liability in business.
- Which fields hold the greatest money making potential for young people.
- Special advice to the reader from famous entrepreneurs contacted during the preparation of the book including David Packard, Chairman, Hewlett Packard, Inc.; Lillian Katz, Founder Lillian Vernon Inc.; and William Deardon, Former Chairman, Hershey Foods Corporation.

Attention Readers 19 or Under

To any reader of this message who is age 19 or under, you are eligible to participate in a contest that will help us capture the youth market. Your task is to create a full page ad, aimed at your age group, on why you like the book **Capitalism for Kids.** The grand prize is an opportunity to star in an upcoming commercial about the book. **Deadline for contest entry is June 1, 1988.**

What Readers Say:

"I don't want to just half heartedly recommend this book among the thousands of others out there that are worth reading. I want to urge you, as strongly and sincerely as possible, to buy it and read it first for yourself. Only then give it to a kid you like.

Karl's book crystallizes thoughts that most people have had, but haven't thought out fully. It washes away the foundations upon which fears and guilt are constructed over a lifetime; it replaces them with ideas you always believed in intuitively but weren't quite sure how to defend.

This book is really great. Make sure it is available to your kids and yourself."

Douglas Casey
***Author of* Investing in Crisis**

"Karl is one of the best writers I have ever come across. He worked for me in my Presidential Campaign, has written any number of papers and articles for me, and I can find no fault with him.

I think *Capitalism For Kids* will make very interesting reading, not just for young people, but for people of all ages. I say that, because Karl understands capitalism, he understands socialism, and he's quick to tell you which is the better of the two."

Barry Goldwater
Former U.S. Senator

"Author Karl Hess does a brilliant job presenting capitalism in a style that is both clear and entertaining to young people. But adults will be fascinated by it as well. I certainly learned much, particularly about the practical aspects of starting a small business.

Capitalism For Kids is bound to become a classic as well as inspire and encourage many new entrepreneurs young and old. And because it shows you how to become independent, make money, and even become rich, it's the most valuable gift book I've ever seen for any young person."

Roy A. Childs, Jr.
Laissez Faire Books, Inc.

"Karl Hess, one of the most interesting free thinkers I know, has written a marvelous book. It explains what making money is all about, in simple readable fashion that anyone nine or older can understand.

I found it delightful reading, especially the chapter on government intervention in business.

Capitalism For Kids can really get your child or grandchild excited about the free enterprise system."

Mark Skousen, Editor
Forecasts & Strategies

Kids Success Stories

Heather Brackeen and Stacey Smit, both 11, of Albuquerque, New Mexico opened their own shop called the Weaving Loom. They specialized in hand woven items such as scarves, placemats, purses, and pot holders.

Javier Corral Jurado, of Ciudad Juarez, Mexico, at the age of 13 was the founder, reporter, photographer, editor, ad salesman and publisher of *El Chisme,* "The Gossip". His newspaper is published every 2 weeks for 1500 readers.

At 15, Robert Lewis Dean borrowed $1,500 from his parents, bought a 1972 Cadillac and fixed it up then sold it at a profit. That was the beginning of his career that has included starting a business at age 16, selling it for $100,000 and starting other businesses dealing with limousines.

Special Note From The Publisher

"It is with special pleasure that I am offering **Capitalism For Kids** to you and your family.

From my personal experience at a young age, I remember how much I always wanted to be in business for myself. Yet, in school, virtually all I was taught was how to become someone else's employee. When I asked my teachers where I could get information about being my own boss, they couldn't recommend any books on the practical aspects of running a successful small business.

That's why this book is so unique. The "how to" ideas it presents are rarely taught in any schools.

I feel sure that this book will undoubtedly make a big difference in the future development and financial success of anyone who reads it, and I am proud to be its publisher."

Ted Nicholas
Publisher

About The Author

Karl Hess is an entrepreneur, former editor at *Newsweek* and author of six books. He writes with conviction about how and why applying the principles of free enterprise leads to independence and success.

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trends

sultant. When its balance sheet is calculated correctly, they say, the United States was actually a $50-billion creditor in 1986.

The problem is that the Commerce Department records assets at their book values—the original price of a building, the dollar amount of a loan to a foreign government, etc.—rather than their current market worth. For example, U.S. companies built plants overseas decades ago; the market values of these plants have increased, but Commerce hasn't compensated for that in its calculations. So U.S. investments abroad are greatly underestimated.

In contrast, foreigners have bought U.S. property more recently, at nominally higher prices. When converted from book values into 1986 dollars, U.S. holdings in other countries are about $260 billion more than foreign holdings in the United States.

The Commerce Department's skewed accounting also overestimates the value of loans owed to U.S. institutions by developing countries and underestimates the worth of U.S. gold reserves, pegging the latter at the "official" price of $42 an ounce. These two figures, when readjusted, increase 1986 U.S. assets by $129 billion.

These recalculations are consistent with the fact that in 1986 profits, dividends, and interest from U.S. holdings abroad were $21 billion higher than the corresponding earnings from foreign holdings in the United States. Clearing the smoke surrounding these numbers is useful, conclude Wolf and Hooker, "especially where the erroneous beliefs have been as widely held and as highly publicized as those relating to the so-called debtor status of the U.S."

Getting Heads Out of Clouds

"Since deregulation, U.S. air travel has become safer and cheaper," wrote Gregg Easterbrook in *The New Republic* toward the end of last year. He's right, but for some reason the public doesn't believe it—even though air fatalities per passenger-mile have declined along with air fares since deregulation. Perhaps several recent studies that approach the safety/deregulation question from new angles will change some minds.

Airlines' insurance rates should tell us something about the safety of air travel, figured Brookings Institution senior fellow Clifford Winston and Northeastern University associate professor of economics Steven Morrison. In a recent article in the *Brookings Review*, they analyzed deregulation's effect on airlines' insurance rates.

The researchers compare insurance rates from the period 1970-78 (before deregulation) to the period 1978-86 (after deregulation) and find that "deregulation lowered airline insurance expenses by roughly 22 percent over what they would have been had regulation continued." Evidently, air travel has gotten safer in the eyes of those who assume the risks.

Morrison and Winston also studied the factors that contribute to commercial air accidents (excluding commuter flights) involving fatalities. They found that the relative importance of these factors hasn't changed since deregulation. In both the 1965-75 and the 1976-86 periods, pilot error and weather were the top two causes. Contrary to popular wisdom, inadequate air traffic control, defective aircraft, bad maintenance, and unsatisfactory airport facilities are *not* frequent contributors to fatal accidents.

Another myth-buster: The average pilot involved in accidents is not younger or less experienced now than before deregulation. This flies in the face of the claim that competitive airlines hire young, inex-

global trends

First of 400 Blows Against Swedish State?

LINKOPING—Reality has caught up with ideology in Sweden. In 1969, the minister of industry launched a grand plan for government control of industry. The main vehicle of the offensive was the formation of Statsforetag, a holding company for state-owned enterprises. A number of private lame ducks fell into Statsforetag's hands, and by the late 1970s the government controlled between 8 and 9 percent of Swedish manufacturing.

In the early '80s the nonsocialist government began tentative steps away from state control, and the socialist government elected in 1982 agreed. The new minister of industry brought on a new president for Statsforetag, Soren Gyll, a well-known industrialist. He closed down the shipyards—huge money-losers—and changed *Statsforetag* ("government enterprise") to the neutral *Procordia* (no one knows what it means).

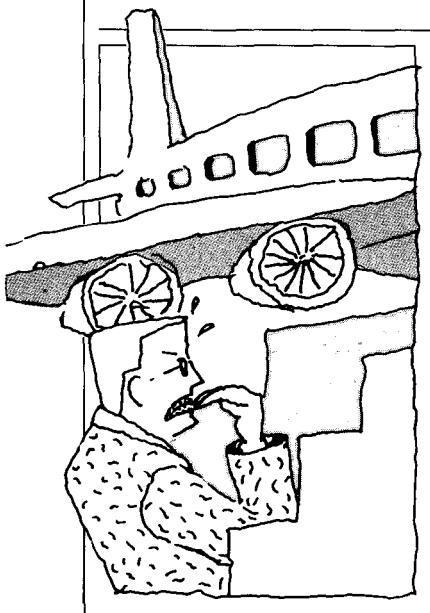
Also at Gyll's suggestion, the government is issuing shares in the company. This first issue has put 20 percent of Procordia's stock on the open market—a small first step toward privatization, but a potent symbol.

—Carl G. Holm

Global Roundup

■ *Freedom sells.* Hernando de Soto's book, *The Other Path: The Informal Revolution,* is making waves from Mexico to Argentina. The book, which indicts onerous bureaucratic systems for Latin economic woes, has hit number two on the Argentine bestseller list and helped spark popular opposition to Peru's bank nationalization. An English excerpt is to appear soon in *Reader's Digest.*

■ *Santa Monica next?* Rents on government-owned housing are going up in China, in line with General Secretary Zhao Ziyang's goal, to "energetically develop the building industry by commercializing housing."



perienced pilots in order to save money.

In another study, published by the Center for the Study of American Business at Washington University in St. Louis, economists Richard B. McKenzie and John T. Warner suggested that reregulation of the airlines could be hazardous to the health of travelers. Looking at how airline deregulation has affected highway safety, the researchers found that more travelers are choosing to fly rather than drive, thanks to the lower fares and more frequent flights brought about by deregulation.

"Between 1979 and 1985," they write, "airline deregulation appears to have significantly reduced miles driven in passenger cars on America's highways and streets." Since driving is so much more dangerous than flying (the death rate for driving is up to 100 times higher), this substitution of flying for driving has saved many lives.

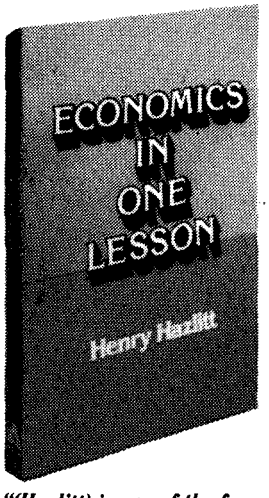
McKenzie and Warner estimated that if deregulation was responsible for this substitution, 660,000 accidents a year were avoided between 1979 and 1985; as many as 1,700 lives a year on average were saved; and economic losses from accidents were reduced by $1.9 billion a year. "Even if the decrease in car travel has only half the impact of our estimate," concluded the economists, "300,000 fewer accidents and 800 fewer deaths are substantial figures."

As Easterbrook's article was titled, "The Sky Isn't Falling."

Just What the Doctor Ordered

In what the White House deemed a "trial balloon," the Office of Management and Budget has proposed privatizing the National Institutes of Health by turning them into a university. The new institution would be modeled on Rockefeller University in New York, which has graduate programs and conducts research but does not admit undergraduates. Like other universities, it would compete for government grants and could also accept money from private foundations, industry, or individuals.

The negative reaction has bordered on the hysterical, but no one can deny that NIH has ailments that might be cured by a dose of free-market medicine. In fact, OMB's plan isn't designed so much to save the government money as to make it easier for NIH to hang on to talented scientists, who can command much higher salaries, better facilities, and more research assistance elsewhere.



"(Hazlitt) is one of the few economists in history who could really write."
—H.L. MENCKEN

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—John W. Hanes, Former Undersecretary of the Treasury

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NIH, which includes 11 institutes such as the National Cancer Institute, has an annual budget of $6.2 billion. Two-thirds of the money is given out as research grants to scientists at other institutions, and such grants would continue under the OMB proposal. About $657 million, however, now goes to fund "intramural" work by NIH researchers. For example, NIH scientists have gained attention recently for their AIDS research.

But Robert C. Gallo, the Institutes' top AIDS researcher, has announced that he may leave to found a virus research lab at a private institution, with funding from a biotechnology company. (As a part of the government, the NIH can't, of course, accept funds from the burgeoning biotech industry.) By spinning off the intramural research into a private institution, OMB hopes to stem the NIH's brain drain.

For Your Information

Groups or individuals mentioned in this month's Trends:

■ **Debtor Nation**
Charles Wolf, Jr.
Sarah Hooker
Rand Corporation
1700 Main St.
Santa Monica, CA 90406
(213) 393-0411

■ **Air Safety**
Steven A. Morrison
Clifford Winston
Brookings Institution
1775 Mass. Ave., N.W.
Washington, DC 20036
(202) 797-6105

Kenneth W. Chilton
CSAB, Washington Univ.
St. Louis, MO 63130
(313) 889-5697

Milestones

■ *This is a private call.* All but four states have decided to allow the use of private pay phones for calls within their borders. (In 1984 the FCC approved the use of private pay phones for interstate calls.) Marc Ostrofsky, publisher of *Payphone Magazine*, estimates that coin calls and credit card and other operator-assisted calls from pay phones generate about $9 billion a year.

■ *The right to refuse.* A California Court of Appeal has ruled that mental patients involuntarily committed to health facilities can't be forced to take antipsychotic drugs except in emergencies or when a judge (not just a doctor) finds them incapable of making an informed choice. "Treatment with anti-psychotic drugs... affects...the patient's mind, the 'quintessential zone of human privacy,' " wrote Appellate Justice J. Anthony Kline.

■ *Home on the range.* Like two of his brothers, Reed Colfax has been accepted to Harvard—and he's never been to school. All three of the Boonville, California, boys have been home-schooled by their parents.

—Robert W. Poole, Jr., Lucy Braun, Virginia I. Postrel, and James Taranto

SPPC

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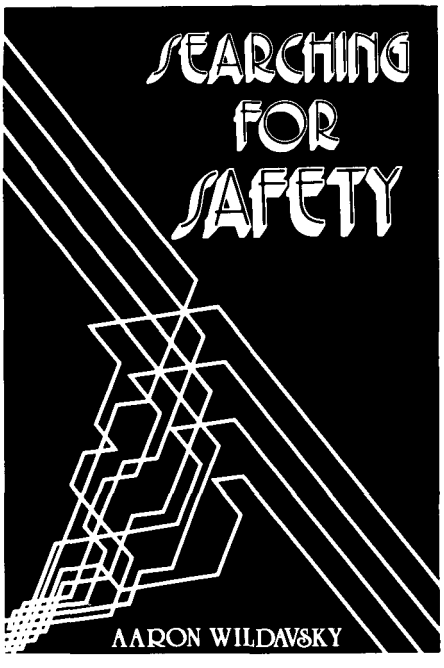

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Throughout six decades, this man challenged and changed the way economists think.

Ludwig von Mises (1881-1973)

In sixty years of teaching and writing, Professor Ludwig von Mises rebuilt the science of economics—as well as the defense of the free market and honest money—on a foundation of individual human action.

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ARMS WRESTLING OVER EUROPE

Imagine a big, strong football player and a small, soft scholar, and you'll begin to see what's wrong with the INF treaty.

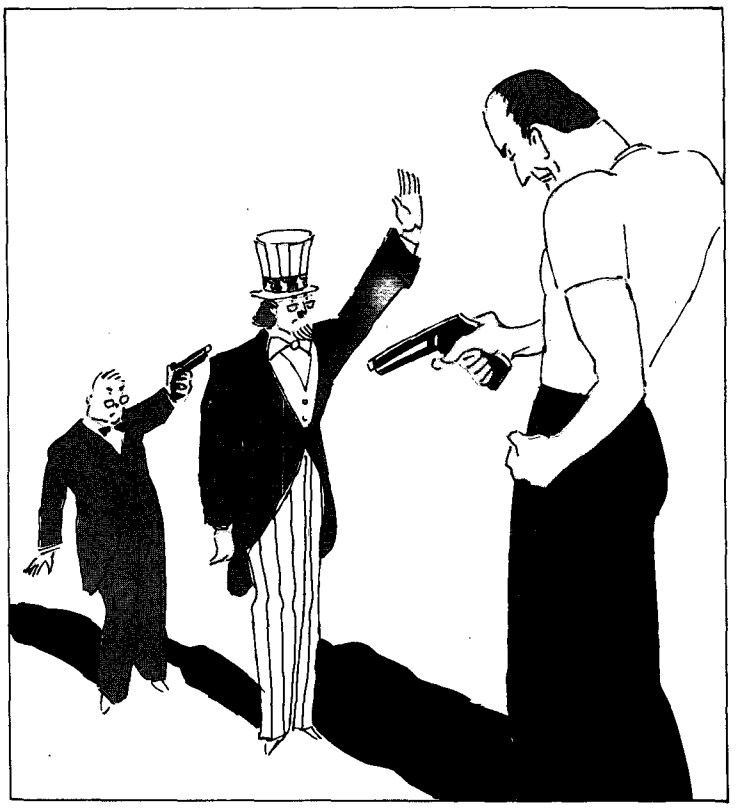
by MELVYN KRAUSS

By offering to eliminate medium-range nuclear missiles from Europe, Soviet leader Mikhail Gorbachev has demonstrated consummate skill in exploiting to Soviet advantage the Reagan administration's present weakness. Gorbachev knows that the so-called zero-option is extremely favorable to the USSR's strategic interests because of the substantial Soviet advantage in Europe in conventional and chemical weapons.

Indeed, if consummated without rectifying the conventional imbalance, the INF treaty will increase the ability of the Soviets to intimidate America's Western European allies and lead to their further Finlandization. Moreover, by placing the 340,000 U.S. troops currently stationed in Europe in greater danger, the treaty makes it all the more imperative that the United States withdraw those troops and make Europeans responsible for their own defense.

By increasing the intimidation of Europe, the INF accord will lead to more transfers from the West to the Soviet Union—transfers of credit, technology, and goods. To understand how this works, imagine a big, strong football player and a soft, small, scholarly individual. Because of his superior strength, the football player is able to intimidate the physically weak opponent and get him to do all kinds of favors. In fact, the big guy doesn't even have to explicitly threaten the physically weak guy. All he has to do is say, Would you mind shining my shoes? And the little guy says, Of course, I'll shine your shoes.

ILLUSTRATIONS/KERRY GAVIN



Now the question of who dominates whom is a question of strategy.

Why, I'm here to shine your shoes.

One day, though, the little guy gets smart and buys himself a gun. He shows the gun to the big guy. As a result, the big guy's ability to intimidate the little guy is reversed. The big guy may go out and purchase a gun as well. But the fact remains that even though they both have guns, the big guy cannot intimidate the little guy as before. Now the question of who dominates whom is a question of strategy—who is faster on the draw, who has stronger nerves, who owns the better gun, and so forth. Physical size is no longer relevant.

Along comes a peacemaker who proclaims to the gullible multitudes that guns are dangerous (forgetting that they are also useful). A deal is proposed whereby both parties dispose of their guns—that is, even-steven disarmament. The big guy agrees because he knows his ability to intimidate the little guy will be resurrected if the little guy goes along with the deal. Worn down by relentless propaganda about the inherent danger of guns, the little guy may agree as well, preferring intimidation to the remote possibility of being shot by a gun.

This, then, is the deal that the Reagan administration has cooked up with the Soviets. Many people have said that what the INF treaty, in fact, does is make the world safe for a conventional war in Europe. But I don't think we are going to have conventional war in Europe. The Soviets don't have to attack—just like the big guy didn't have to punch the little guy in the nose to get his message across. And we know what the big guy wants in Europe. He wants increased transfers of technology and subsidized loans, he wants to belong to the International Monetary Fund, the World Bank, and GATT, and he wants the Europeans to put the muscle on the United States to offer the Soviets economic and political favors. That is the bottom line of this treaty.

Many conservatives mistakenly believe, however, that Soviet agreement to the INF deal is a U.S. victory—that "peace through strength" works. The Soviets had put SS-20s in Europe, and our job was to get them out. We accomplished this by first putting in our own intermediate-range missiles and then agreeing to take them out. Strength, these conservatives argue, has given us peace.

But I wonder whether real peace can be so easily identified with eliminating the Soviet missiles from Eastern Europe. Should the U.S. goal simply be to rid Europe of the SS-20s—and no more? I say no. Real peace in Europe requires that Europe be militarized, not intimidated. And the INF agreement is certain to intimidate Europe.

How, then, can Europe be militarized? The best way is not to withdraw the missiles at all but to give them to the Europeans. The United States, if it had creative leadership in its foreign policy, would see the missiles as a great opportunity to change Europeans' attitudes toward increasing their military capacities. We don't even have to sell the missiles, we can give them to the Europeans. And then, if *they* want to negotiate the missiles away with Gorbachev, let them.

The Europeans, however, would be much more reluctant to negotiate those missiles away than the United States is. It is too easy for us to pull the missiles out, because the pressure to increase conventional forces will ultimately be borne by European budgets. If the decision were a European one, they would not place that pressure on themselves.

The second way to militarize Europe is to withdraw the U.S. troops. Those troops have truly done their job. In fact, they have pacified Europe to the extent that it actually has become a danger to this country. The U.S. nuclear guarantee of Europe—the cornerstone of NATO—has really had the effect of pacifying the Europeans too much, encouraging

I wonder whether real peace can be so easily identified with eliminating the missiles from Europe.

them not to make expenditures on conventional defense.

So, while the Soviets were going full-throttle ahead, undergoing massive conventional rearmament, the Europeans were saying, Hey, the Americans are going to take care of us. Why do we have to spend money on our conventional forces—we'll spend it on our welfare state? Indeed, as long as the troops remain, no European politician will be able to muster sufficient popular support for a costly military buildup. That is what NATO has done in the last 20 years.

I'm not one who argues that NATO never had an important function. After the war it did. But, feeling safe because of the U.S. nuclear guarantee, the Europeans didn't build up their conventional defenses as their economies recovered from the war. Meanwhile, the Soviet Union built up its forces to the point where it now enjoys a three-to-one edge in tanks, a five-to-one edge in infantry fighting vehicles, a five-to-one edge in artillery, better than even in attack aircraft, a monopoly on automated tactical fire control, a one-and-a-half–to–one edge in manpower, a huge edge in chemical weapons, and a virtual monopoly in 50- to 500-mile–range ballistic missiles. NATO has given us weak allies, and that weakness redounds to the benefit of the Soviet Union.

It is one of the tricks of the opposite side to this argument to label people like me "isolationist." But I am not an isolationist. I believe America cannot endure without strong allies. We cannot defend the world single-handedly. And if you start off with the presumption that a strong West requires a strong Europe, as I do, then you have to come to the conclusion that our major policy problem is how to get the Europeans strong again.

Many foreign policy experts argue that a U.S. troop withdrawal would split, or "decouple," Europe from America—which, they say, is precisely what the Soviets want. But the Soviets have made no concerted effort to get the U.S. troops out of Europe, comparable, for example, to their effort to get U.S. Pershing missiles out or to short-circuit the Strategic Defense Initiative. The reason is that the NATO link between the United States and Europe has worked very much to the Soviets' advantage.

"No one can read the literature that passes between Moscow and its European friends," writes Angelo Codevilla of the Hoover Institution, "without getting the message that the number one Soviet objective in Europe is to convince Europeans to use their influence to shape U.S. policy. Without doubt, since the late 1960s the Europeans have been the foremost lobby to convince the U.S. not to defend itself seriously....No one who reads Communist literature can fail to notice that the Soviet Union's main message to its followers in Europe is *not* to 'decouple' the U.S. from NATO, but to use that coupling to Soviet advantage."

Indeed, the noted Soviet historian Adam Ulam has said that what the Soviets fear most is a strong, militarized, integrated Europe. And what is in the Soviet interest is the status quo—a weak, demilitarized, discordant Europe. "Although the Soviets want to encourage tensions between Western Europe and the United States," writes Ulam, "they may not want to see the United States withdraw or greatly reduce its land forces in Europe. Such a shock might make West European leaders decide they have no choice but to unite politically."

The Europeans have gotten the mes-

NATO has given us weak allies, and that weakness redounds to the benefit of the Soviet Union.

sage that there are important changes going on in this country, that we are pulling the missiles out today and that sooner or later—and it is probably going to be sooner—the troops will come out as well. And they are starting to prepare for this. Today, for example, there is more French-German cooperation in the military field than ever before. And that cooperation will increase dramatically once a decision for a phased withdrawal is announced.

We're in an Alice in Wonderland world if we think that the present disparity between America's economic position and the economic position of the Europeans and Japanese is not going to cause drastic reordering in the security area. Private and Defense Department analysts estimate that NATO costs us $134-180 billion a year. This spending isn't on the Europeans alone, of course; it is on NATO, and we are an important part of NATO. And no one, as far as I know—and certainly not myself—is claiming that if we withdrew the troops from Europe, or we pulled out of NATO, we would save $140 billion. But we could save some $50-70 billion yearly by withdrawing our troops from Europe. That money would be better used to finance SDI or help close the budget deficit.

Adding to these pressures to pull out of Europe is the falling dollar. Lower and lower it goes, and as it goes lower the cost of maintaining our troops in Europe goes higher. In the past two-and-a-half years, the dollar has dropped more than 50 percent in relation to the German mark—and Germany is where most of our troops are. As a result, soldiers, who are paid in dollars, are living in poverty. This is scandalous in the short term, especially under an administration that pays lip service to caring about the troops, and will be expensive in the long run, as recruitment levels drop and salaries have to be raised to attract recruits and reenlistments. Of course, paying the troops is only one of the many costs of providing defense for Europe.

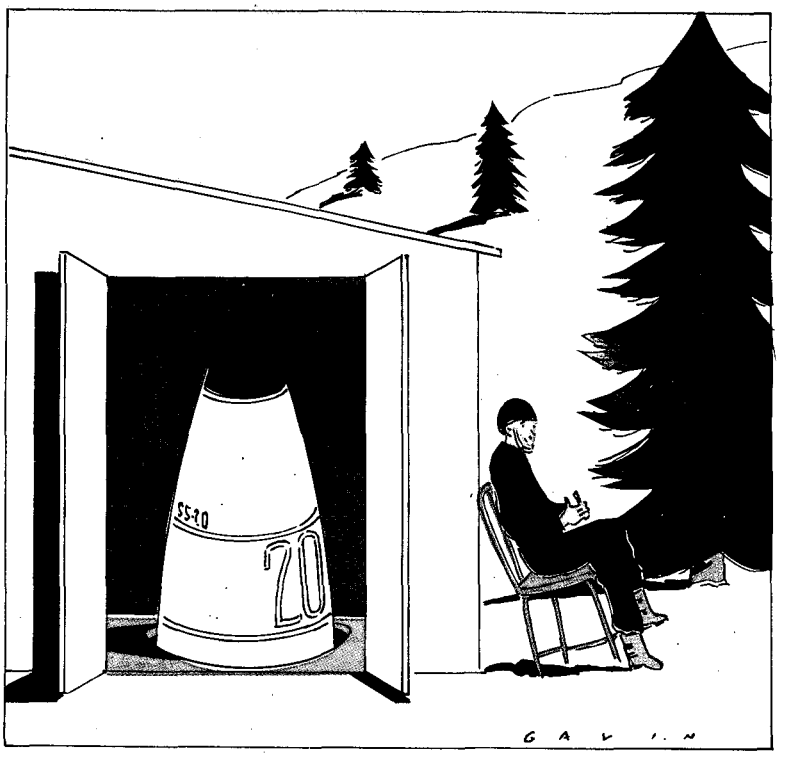
Yet the Germans are lecturing the United States right now, saying that we have to get our budget deficit in order to restore international financial stability. If we had any spirit in the foreign policy community, we'd say, Okay, you want us to work on our deficit, we have a great idea: We're going to pull the troops out of Germany.

America is stretched to the bones politically, militarily, and economically. This country has a big deficit problem. But not one of the candidates for president, on the Democratic side or the Republican side, is talking about cutting spending for NATO.

Yet how many Americans would be willing to vote themselves a tax increase rather than cut out spending on NATO? How many people would say, We want to increase our taxes to keep the troops in Europe? If a politician came along and posed that particular question to the American public, you would see how long the troops would stay in Europe.

Equally important, a phased U.S. troop pullout would have a long-run salutary effect on our allies. Without Uncle Sam's defense guarantees, the Europeans would have no choice but to beef up their own military spending. But if the troops do remain in Europe, pulling the Pershings out—as the INF treaty requires—will only increase Soviet intimidation of Western Europe. Only if the troops and Pershings are pulled out together will Western Europe become stronger and safer. ◧

Melvyn Krauss, author of How NATO Weakens the West, *is a senior fellow at the Hoover Institution and economics professor at New York University. Parts of this article were presented at a December Cato Institute conference.*



"TRUST BUT VERIFY"

Reagan's favorite slogan won't protect us if we don't know how many weapons to look for – or where they might be hiding.

by JOSEPH D. DOUGLASS, JR.

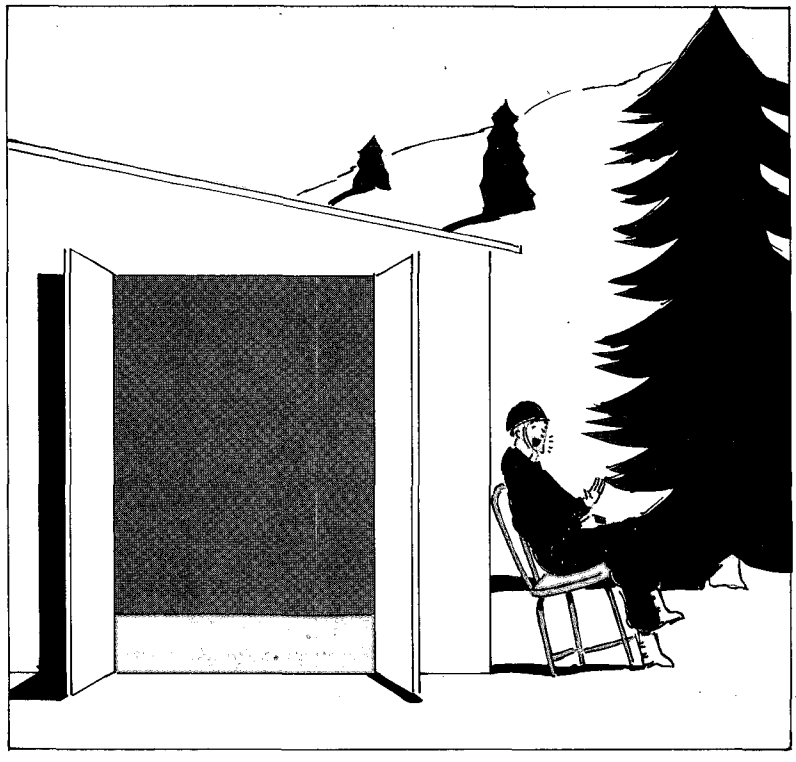
Since the United States first initiated arms control negotiations with the Soviet Union, the need for verification has been a centerpiece of U.S. policy. The reason is simple: the Soviets are not to be trusted. This is well known and widely appreciated.

The INF treaty now before the Senate provides a most timely example of the problems involved in verification. The subjects of the INF treaty are ground-based mobile theater missiles, designed to be used within a geographic region, or "theater," such as Europe. Because they are mobile, these missiles are extremely difficult to find, and thus their reduction will be equally difficult to verify.

Of course, these intermediate-range missiles do not pose a direct threat to the United States. Yet their verification is important because the problems involved are very similar to problems that have recently cropped up with respect to intercontinental-range strategic missiles. Over the past decade the Soviets have transformed their land-based strategic missiles, previously viewed as fixed, silo-based missiles. They are now mobile and concealed, and the verification problems they pose are not much different from those posed by the INF missiles.

The difficulties of verification are easy to appreciate by looking critically at the primary Soviet nuclear missile that the United States seeks to eliminate through the INF treaty, the SS-20. This missile is advertised as a highly accurate 5,000-kilometer-range missile that carries three 150-kiloton nuclear warheads. It first ap-

ILLUSTRATIONS-KERRY GAVIN



In truth, we do not even know that the SS-20 missile exists.

peared in roughly 1975 and since that time has been regarded as the main nuclear threat to Europe. The Defense Department describes the missile and its deployments with such accuracy—441 missile launchers and 1,323 warheads at last count—that we are led to believe that the government has good intelligence on the missile and that verification of the INF treaty, although difficult, is far from impossible.

These precise "data" on the SS-20 are, however, very misleading, because the range of uncertainty is not stated. The estimates are really based on very little information and a multitude of unwarranted assumptions. In truth, we do not know what the SS-20 is or how it is to be used. We do not even know it exists!

Because the Soviets conducted many of their tests of the SS-20 at night and encrypted its test telemetry, we did not obtain the data needed to determine with confidence its range or payload. Early estimates of range were as high as 6,000 kilometers, and one-megaton warheads have been reported. Compare the Defense Department's assertion of 5,000 kilometers and *150-kiloton* warheads.

We have never seen an SS-20. All we see are canisters that we think contain missiles. The numbers we count are based on the number of sheds that are seen and that are assumed to contain missiles. Some agencies of our government assume there is only one missile per launcher, while others believe there may be as many as five. The Defense estimate of 1,323 warheads assumes only one missile per launcher—but this would mean that the missile could not be reloaded, which would be quite unusual.

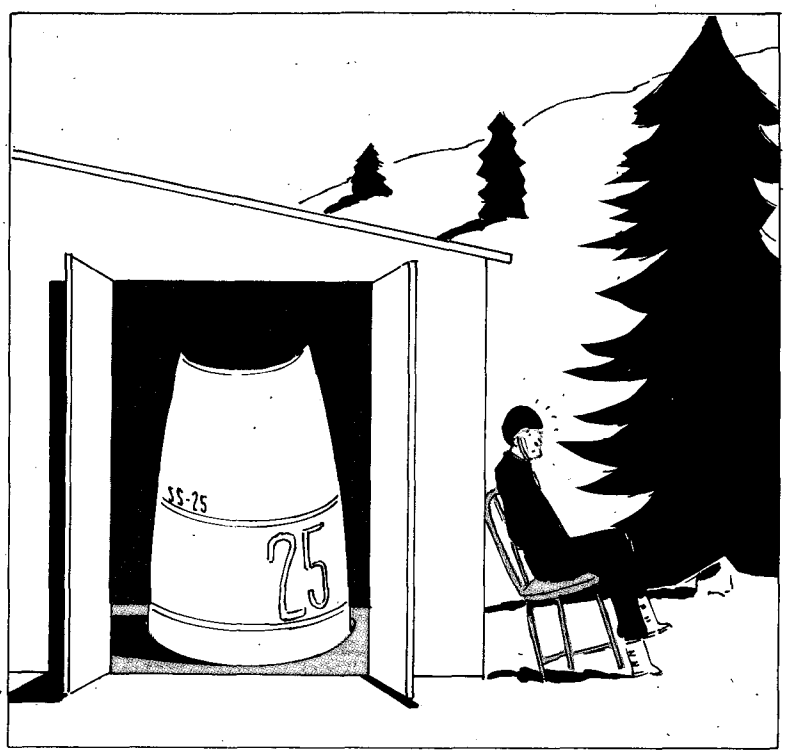
These uncertainties respecting the SS-20 are especially significant because the missile as it is described by the U.S. government makes little sense. One might argue that there are enough targets in Europe to warrant perhaps 50 missiles armed with 10-kiloton warheads, but not much more—and certainly not several hundred missiles carrying a thousand or more 150-kiloton warheads. So Europe's target set does not justify the system.

Nor does Soviet strategy call for it. The Soviets have had more than enough theater nuclear systems to strike every target in Europe several times over without the SS-20. Moreover, Soviet strategy has been emphasizing the use of nonnuclear systems (such as chemical and biological weapons) in a European war to avoid destroying the industrial prize they seek to capture. The SS-20 as advertised makes little sense as a theater system.

A POTEMKIN SYSTEM

We are compelled to ask, then, what the SS-20 system really is. Might it really be an intercontinental system that has been masquerading as a theater system? The uncertainties on the range and payload are such that it might well be. Moreover, the SS-20 has been physically linked to known intercontinental missiles. Some defense and intelligence analysts believe that it is really the first two stages of the Soviets' SS-16 mobile intercontinental missile and is similarly related to the SS-25 intercontinental missile. If so, it would be a simple matter to convert the SS-20 into an intercontinental missile, if it is not one already. Also, because the missile parts were freely available from the SS-16 development program, very little effort and cost would have been required for the Soviets to have set up the SS-20 from the beginning as a completely bogus system, a Potemkin Village missile.

The count of the missiles, 441, which is based on the number of launchers believed to be housed in sheds of a certain dimension, also presents us with a bit of a dilemma. The rationale for making a mo-



We are asking our intelligence merely to keep watch and ensure that we never see any SS-20s at all.

bile system in the first place is security. If it is mobile, the enemy cannot find it, because it can be stored in a wide variety of installations—caves, tunnels, garages, fake buildings, and so forth—and hidden from the enemy. The idea that the Soviets would build a series of identical sheds that are easily distinguishable by the enemy from space makes little sense and is certainly inconsistent with Soviet military logic. Recently, some of the sheds were dismantled; but what happened to the missiles, or whether there were any in the sheds in the first place, remains unknown.

The SS-25 mobile intercontinental missile is also stored in sheds, we assume—sheds that are only three meters longer than the SS-20 sheds. If the SS-20s are important, isn't it possible they are stored in SS-25 sheds, especially because the SS-20 system has been observed in SS-25 deployment areas? This possibility is not covered under the INF treaty. This raises a further challenge to our knowledge of how many SS-20s there are and where they are deployed.

In sum, the United States does not know what the principal Soviet INF system is, or why it is, or how many of them exist, or where they are stored if they exist. Even the "data" provided by the Soviets on the missile as part of the negotiations have been found to be internally inconsistent, are believed to have been faked, and have been challenged by several senators and administration officials. Yet President Reagan proceeded to sign the treaty as though there were no technical problems.

There is of course an explanation: by outlawing all SS-20s, verification is no longer a problem, because we are not asking our intelligence to count how many systems the Soviets have but merely to keep watch and ensure that we never see any SS-20s at all. But what if there were no SS-20s in the first place? Or what if they now store them in SS-25 canisters or simply keep them hidden from sight?

Although the treaty does make a much-heralded provision for on-site inspection, it doesn't help matters. All the Soviets have to do is manufacture the missiles in factories not subject to inspection or deploy them in areas not subject to inspection—which is automatic if the sheds are only Potemkin sheds.

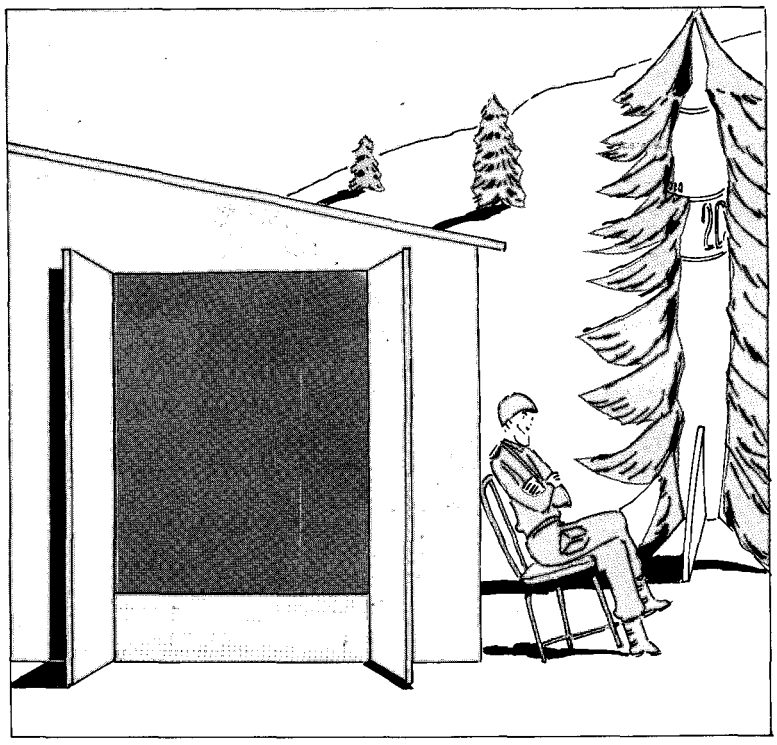
Also curious is the SS-20 destruction clause in the INF treaty, which states that the missile is to be destroyed while in the canister. U.S. inspectors cannot even open and look into the canisters to *see* if there are missiles inside, let alone identify them as SS-20s presumably to be destroyed.

The more closely the INF treaty and the systems covered under it are examined, the more questionable the treaty becomes, especially on the issue of verification. The Soviets have a myriad of attractive—inexpensive and effective—evasion options.

WHO HOLDS THE TRUMP

But does it all matter? Is verification really all that important? Based on past experience, one would have to admit that it does not and is not. Even if violations were detected, a significant U.S. response would be unlikely. U.S. officials might hiccup and cough a few times, but soon business as usual would continue.

So far the Soviets have violated every significant arms control treaty or agreement. This is not the conclusion of right-wing fanatics. It is the conclusion of the President's General Advisory Committee on Arms Control and Disarmament and the conclusion of a series of six interagency studies of Soviet noncompliance. These studies used the best intelligence and intelligence analysts. They included a multitude of participants who would have preferred to find the Soviets in com-



We find ourselves confronted with a treaty whose success depends on the Soviets' trustworthiness.

pliance, but they did not.

But did these findings lead to any significant U.S. response? No—which is why, in one respect, the problem of verifying the INF treaty may be a moot question.

This is not comforting. Indeed, it is extremely disquieting, because the INF treaty is advertised by U.S. and Soviet negotiators alike as a prelude to a larger, more impressive event, a START agreement that both sides promise will achieve significant reduction in long-range strategic nuclear systems. There is no reason to believe that START will be any different from INF or its SALT predecessors, and that could well spell disaster.

The folks in Washington deliberately gave away U.S. nuclear superiority in the 1960s. It was easy to curtail military development programs then—we were ahead, and the Soviets had no intention of doing anything other than catching up, or so U.S. officials thought. In 1969 the Soviets first surpassed the United States in strategic nuclear capability.

Washington again put the brakes on U.S. nuclear developments in the 1970s, in the interests of détente and arms control. And it was acceptable; after all, the Soviets stated they were not interested in achieving superiority. They only wanted to maintain the balance. By 1980 the Soviets had deployed two new heavy missiles, the SS-18 and SS-19. These were not contemplated by U.S. negotiators of the SALT treaty and enabled the Soviets to leapfrog far ahead of the United States. In the process, in the opinion of many defense specialists, the Soviets had obtained a first-strike capability by 1980.

For a brief period in the early '80s, there were some indications that the United States might attempt to reverse the trend and launch new programs, especially in the defensive area. While some hope still remains, most of the beliefs of the early 1980s have been shattered. Arms control and trade and assistance to the Communist countries again are the mainstay of U.S. foreign and defense policy. While continuing to expand their strategic offensive arsenal, the Soviets have also made major advances in their missile defense capabilities, both passive and active. But the United States remains totally vulnerable—defenseless—to a Soviet attack, and, partly because of the failure to control federal spending, there are no prospects for change in sight.

Should a strategic arms reduction treaty emerge in the months ahead, the result will be a dramatic reduction in an already eroded U.S. strategic nuclear deterrent, while Soviet capabilities, based on past experience, will continue to improve. Then there will be no mistaking who holds all the trump.

This is why the INF reaty and our ability to verify what the negotiations are all about are so important and why Congress and the American public should scrutinize the treaty and the process with the greatest attention and interest. Verification has been advertised as the *sine qua non* of U.S. arms control policy since that process began. Early in his term, President Reagan made it quite clear that effective verification is essential—not "adequate" verification or "sufficient" verification, as was used to get around our inability to verify in the 1970s, but real verification.

But it has become clear that we know less now about what we are doing than we did in 1972. We find ourselves confronted with a treaty whose success depends on the Soviets' good will and trustworthiness. The lesson is obvious: that is the only way an arms control treaty will be negotiated. The corollary is equally obvious: arms control is a sham. It would be nice if we learned this before we give away the whole farm, but that is about as realistic as expecting the Soviets to honor their agreements. ◻

Joseph D. Douglass, Jr., is a national security consultant and the author of Why the Soviets Violate Arms Control Treaties.

Bob Dole is so short on ideas he doesn't even know why he's running for president.

NIXON WITHOUT THE Charm

by John A. Barnes

Eight years ago around this time, Sen. Robert J. Dole's useful political life seemed to be over. He had run for president and in the crucial New Hampshire primary received fewer votes than fringe candidate Lyndon LaRouche. Dole seemed destined to finish out his Senate career as a fairly senior member of the minority party and a historical footnote as President Gerald Ford's acid-tongued 1976 running mate.

Yet by 1982 he had risen, Phoenix-like, from the ashes. The Washington establishment that had once scorned him began viewing Dole with "strange new respect." Haynes Johnson, a *Washington Post* columnist and liberal bellwether, lauded Dole as "the lion of the moment...praised for his moderation, fairness and bipartisan statesmanship...a potential president."

Even far-left journalists Alexander Cockburn and James Ridgeway of the *Village Voice* sang his praises as "our kind of guy...emblem of the least repugnant segment of the conventional political landscape: moderate Republicanism...a powerful curb on outre-Reaganism." Like Johnson, they finished off in words that must have been music to Dole's ears: "A true thinking man's dark horse for president."

What happened? By almost any standard, this was a truly remarkable turnaround. From a bitter, acerbic has-been, Bob Dole had become a statesman and leading candidate for president. "The evolution of Robert Dole is the tale of a political outcast who became 'civilized' by Washington," wrote journalists John Fund and Martin Wooster in 1983. "The old Dole, the politician who desperately yearned to be Spiro Agnew without the tact, has disappeared." The story of how he made this transition—largely by selling out Republican principles via the largest peacetime tax increase in history coupled with strong support for a massive Social Security tax hike—is that of a modern-day political Faust.

Robert Dole originally planned a medical career, but his studies were interrupted by the Second World War. Leading an infantry platoon in Italy weeks before the war ended, Lieutenant Dole charged a German machine gun nest and was badly wounded in the right arm and upper chest. A star basketball and football player who stood a solid 6'3" tall and weighed 190 pounds before the war, Dole shrank to 120 pounds during the two years he spent in hospitals undergoing painful physical therapy. To this day, he extends a left hand in greeting and it is a chore even to dress himself every morning.

Forced to abandon his dreams of becoming a doctor, Dole followed many other veterans on the GI Bill into the crowded law schools. His war record coupled with his natural ambition was enough to land him in the Kansas state legislature even before he graduated. Two years later he was the local district attorney and in 1960 a member of the U.S. House of Representatives.

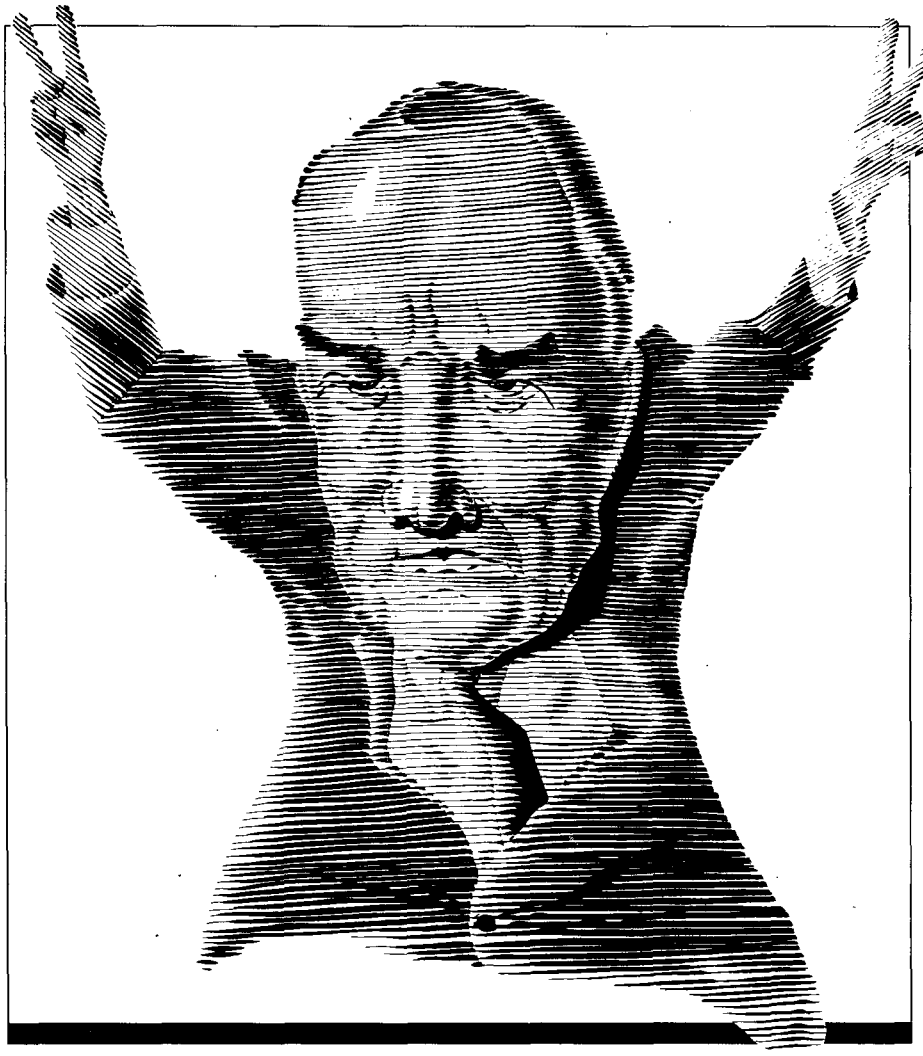
Dole attracted little attention during his four terms in Congress, sticking mostly to the back benches and concerning himself primarily with keeping wheat subsidies as high as possible. As he began to contemplate the next step in his career, however, he made efforts to become more visible.

In 1967, for instance, he introduced legislation that he promised would cure "crimes of violence, crimes of wanton destruction, organized crime, riots, rowdyism, juvenile delinquency and immorality." His idea was to make possession of even a single barbiturate or amphetamine pill without a prescription punishable by a year in jail and a $1,000 fine. Dole's great idea was quietly forgotten.

A year later, Dole won his Senate seat with little difficulty. And now, yearning to be a "national figure," he decided to jump out front as President Richard Nixon's chief apologist.

In a series of mostly unsolicited defenses, he tagged Nixon's critics "left-leaning marshmallows." Anyone who opposed Nixon's plans for government subsidies to build a supersonic transport plane was "unpatriotic." When Maine Democratic Sen. Edmund Muskie questioned the FBI's role in domestic surveillance of antiwar groups, Dole branded this attitude "Muskiesh" and said that any further doubts about this program would only serve to undermine "public confidence in law enforcement."

After the 1970 congressional elections, Nixon rewarded his Sir Galahad by appoint-



BOB SCHUCHMAN

ing him chairman of the Republican National Committee, where Dole carried on his crusade with renewed vigor. Although he maintained that "Watergate happened on my night off," he vigorously defended Nixon against charges of wrongdoing. He maneuvered to block the formation of the Senate Watergate Committee, condemning "the brazen manner in which, without benefit of clergy, the *Washington Post* has set up housekeeping with the McGovern campaign."

Although Dole greatly toned down his defense as the evidence against Nixon mounted, that did not prevent him from having a tough race in 1974. His opponent, Rep. William Roy, M.D., was making headway by painting Dole as a willing and able handmaiden of the disgraced Nixon White House. With support evaporating, Dole launched into a patented tirade in the final weeks of the campaign, charging Roy with being an unrepentant abortionist. The last-minute emotional appeal worked: Dole squeaked by with just a few hundred votes to spare.

In 1976, President Gerald Ford, concerned that he suffered from a "nice guy" image and forced to appease the large number of Republicans who supported Ronald Reagan, tapped Dole as the reliable hatchet man. He did not disappoint.

While capable of telling jokes about the Watergate tapes ("Thank God when I was in the Oval Office I only nodded"), by and large Dole eschewed issues and tried to get by on one-liners and caustic jokes. He called Jimmy Carter "Southern fried McGovern" and said that AFL-CIO President George Meany was "probably Mondale's makeup man."

The nadir was undoubtedly reached during the October debate with fellow vice-presidential nominee Walter Mondale. Fed up with Mondale's efforts to tar the GOP as the party of Watergate, Dole shot back that 1.6 million American boys had died or been wounded in "Democrat wars" in the 20th century. Given the circumstances of his own wounding, Dole's bitterness was perhaps somewhat easier to understand, but few people pause for studied reflection during a presidential campaign. The ticket lost by a close margin, and many of Ford's supporters lost no time in hinting loudly that Dole and his barbed tongue were responsible. "Dole," in the immortal assessment of former Sen. William Saxbe, "couldn't sell beer on a troop ship."

Losing the election and being assigned a big share of the blame was painful for Dole. It was also the catalyst that persuaded him to change his image.

"When you lose and come that close, it's hard," he recalled in an interview later. "You just sort of sit back and reflect for awhile on whether you have to change your direction or change attitudes or change perceptions. Because we came out of that election viewed by many in the press as the hatchet man, the tough guy. And you don't want that image....So you go through a rehab process."

He took those words seriously. His voting record began leaning perceptibly liberal. Now he was supporting the CETA jobs program, had kind words for national health insurance, and voted for the Chrysler bailout. He even teamed up with Sen. George McGovern to vastly expand the food stamp program, an idea he had initially voted against in 1964 until somebody put a bug in his ear about how great it would be for the farmers. He even went so far as to propose a cabinet-level Department of Food whose secretary would act as a "food czar."

It wasn't all public policy lurches, though. Dole also sought professional help from Dorothy Sarnoff, a well-known New York image consultant. She says that Dole came to her telling of his intense desire to be president and his realization that the "old Dole" couldn't cut it. She taught him not to slouch over a speaking podium trying to hide his wounded arm, thereby calling attention to it. She also curbed his cutting sense of humor.

"I changed him," Sarnoff boasts. "He was the best student I ever had. A nice, nice man. I took away his snide."

But the message about the New Dole apparently didn't make it through to the heartland in time for the 1980 presidential campaign. Despite polls showing he had high name recognition, Dole just couldn't get his act together. He went through at least five campaign managers and couldn't seem to excite anyone with

The Andreas Fault

The gasohol industry has no better friend on Capitol Hill than the senior senator from Kansas. The man who has made millions upon millions of dollars off this relationship is Dwayne Andreas, chairman of the Archer Daniels Midland Corp., of Decatur, Illinois.

As reported by Edward Pound of the *Wall Street Journal* and Warren Brookes of the *Detroit News*, ADM is without question one of the nation's leading corporate welfare queens. One estimate is that out of ADM's $5.2 billion in 1986 revenue, no less than $1.3 billion can be traced to corn and gasohol subsidies. With more than 50 percent of the market, ADM is far and away the nation's leading producer of corn-distilled ethanol, which is mixed with gasoline to form gasohol. Only the federal tax subsidies and import tariffs backed by Sen. Robert Dole make this business profitable.

Over the last eight years, Andreas, his family, and friends have contributed a total of $130,000 to Dole and his various campaigns. Bob Dole has jetted around the nation in Andreas's corporate plane. And Elizabeth Dole recently purchased a Florida condominium—for $150,000, half its market value—in a building that Andreas owns.

Dole says his support of gasohol predates his friendship with Andreas by more than a decade. "Dwayne Andreas may benefit," Dole has said, "but not because of any action Bob Dole sneaked through Congress."

But there's no question that ethanol production didn't take off until Dole and some farm state colleagues got busy in the late 1970s, when only 10 million gallons were produced annually. In 1978, Dole succeeded in passing a bill largely exempting ethanol from the federal gasoline tax.

Ethanol production totaled about 800 million gallons in 1987—500 million from ADM—estimates Frederick Potter of Information Resources Inc., a Washington-based consulting firm. Potter pegs ADM's pretax profit on ethanol production at $150 million. Without the exemption, he says, ADM would lose money. But, we can be sure, Bob Dole won't let that happen.

—J. B.

the slogan, "If you're looking for a younger Ronald Reagan, here I am."

In Iowa, a farm state right next to Kansas, the farmers showed their gratitude for all he had done for them by giving him just 2 percent of the vote. New Hampshire was even worse. He finished way down the list with only 607 votes out of 220,000 cast. Rejected once again, Dole ignominiously withdrew from the race and returned to the Kansas prairies where he was still loved to seek a third Senate term. He seemed condemned to obscurity.

But then Ronald Reagan was elected president, the Republicans took control of the Senate, and Dole was literally overnight propelled into the chair of the all-powerful tax-writing Finance Committee. Suddenly, history beckoned Bob Dole.

His first task was to enact into law President Reagan's unprecedented three-year tax-rate reduction package. He didn't bother to hide his skepticism about supply-side economics, endorsing it only by saying, "The president deserves a chance." He did reduce the cut from 30 percent to 25. He also stayed in the background when it came time to cut the federal budget during Reagan's first year.

But when the biggest federal deficits in history loomed and the country began sliding into a recession, Dole saw his chance and never looked back. In 1982, he began to float trial balloons about a tax increase, disguising it under various pseudonyms such as "revenue enhancement" and "tax reform." He proposed granting even more sweeping powers of investigation to the already heavily armed IRS, along with a corporate "minimum tax" and nickel-and-dime increases in taxes on cigarettes, liquor, airline tickets, telephone calls, and gasoline.

When the House balked, preferring to put the onus for tax increases on the GOP, Dole obliged them, ignored the constitutional requirement that revenue bills originate in the House, and wrote his own tax bill. The result was the largest peacetime tax increase in history: a cool $227 billion over five years. But Dole was careful to exempt gasohol producers from increased federal gasoline taxes, thus keeping alive an industry that could not survive without massive taxpayer subsidies, an industry that was also a lucrative source of campaign contributions for you-know-who (see sidebar).

While Dole did not play a leading role in "saving" Social Security in 1983, he was a member of the Greenspan Commission. And he of course signed off on its recommendation—surprise, surprise—that payroll taxes be raised.

Did all of this satisfy him? No way. When the deficit stubbornly refused to disappear as predicted when the tax increases cut in, Dole came up with a novel solution: more taxes. The Finance Committee chairman was now waving around a proposal for another $20- or $25-billion increase.

One provision particularly rankled the public, however, and that was proposed withholding of taxes on interest and dividend income. While Dole maintained that the whole idea was just to nab a few tax cheats, it actually was to give Uncle Sam interest-free use of honest taxpayers' money. Dole apparently didn't realize that when you mess with people's bank accounts, you are playing with fire.

Bankers posted signs at teller windows informing customers how Bob Dole intended to reach into the vault in the dark of night and make off with their money. Banks conveniently provided handy postcards they could mail and register their protest. Millions did, and soon members of Congress began deserting the idea in droves.

Dole frothed at the mouth, charging the bankers with "waging a campaign of deception" against the innocent American people. "To listen to Bob Dole, you'd think Satan himself was behind the campaign," said Rep. Norm D'Amours (D-N.H.). Despite Dole's frantic efforts at resuscitation, the corpse wouldn't move and withholding was repealed.

This momentary setback, however, hardly nicked the rapid rise of Dole's stock in Washington. Indeed, it may even have helped. The liberal Republican Ripon Society decided to let bygones be bygones and named him Man of the Year for 1982. Former Democratic National Chairman Robert Strauss declared that Dole had "grown more than anybody in this town." Dole was clearly flattered by the attention. "Bob Dole hasn't changed, he's been noticed," was his own assessment.

What was more likely was that the liberal establishment and entrenched interests inside the Washington beltway noticed that Bob Dole was now a powerful ally in opposition to "Reaganomics" and

any effort to trim the welfare state. From now on, Dole would aim his pitch primarily at this audience, not the "silent majority" in the American heartland he sought to represent in the early 1970s. The big payoff came in January 1985 when Dole was elected to succeed Howard Baker as Senate majority leader, making him Ronald Reagan's only real rival for power in the Republican Party.

In his new position, Dole was careful to rebuild his exceedingly frayed ties with the right, who would be critical in any presidential contest. At a meeting with New Right point man Paul Weyrich and other conservative leaders, Dole took notes on what legislation they wanted passed and wasted no time: he immediately pushed through a loosening of federal restrictions on gun ownership and repeal of the Clark Amendment forbidding U.S. aid to the anti-Communist Angolan freedom fighters under Jonas Savimbi.

Dole continued to prate on about the deficit (and still does so in his presidential campaign), but that didn't stop him in 1985 from engineering far and away the biggest farm subsidy bill in U.S. history, which added billions to that same deficit. He was at best lukewarm about the 1986 tax reform bill, the most sweeping such measure in over three decades and one that dropped the top income tax rate to 28 percent and got nearly six million working poor people off the tax rolls.

One of the disturbing constants in Dole's record is his almost complete indifference to issues or ideas, which makes him highly vulnerable to shifts in the political climate or to other people's agendas. Conservative writer George Gilder, Dole's speechwriter during the 1976 campaign, has noted this.

"Dole doesn't read any more than he has to," Gilder reports. "When I worked for Dole, there seemed nothing in Dole's psychology so deep as his resistance to intellectual ideas, strategic themes, or inspirational rhetoric. He was bored with what he called the 'ish-shoes.' "

Dole freely admits that he usually only "glances" at what is put before him and doesn't have the discipline actually to sit down and read books. This tendency is lampooned by opponent Jack Kemp, who jokes: "Dole's library burned down the other day. Both books were destroyed, and he hadn't even finished coloring one of them."

In his lack of commitment to new ideas in public policy, Dole is very reminiscent of Richard Nixon, who gyrated between liberalism and conservatism on domestic issues as suited his political purpose. This has caused some to murmur that Dole is "Nixon without the charm."

In his presidential campaign, Dole is playing to what he believes is his strong suit: experience and leadership. With 37 years in politics at every level, he's got plenty of the former. But he seems to forget that America's historic great leaders —Abraham Lincoln, Theodore and Franklin Roosevelt—didn't spend a great deal of time talking about it. They merely practiced it and let people draw their own conclusions.

When the biggest federal deficits in history loomed, Dole saw his chance and never looked back. The result was the largest peacetime tax increase in history: a cool $227 billion.

He also seems sensitive about his reputation as a relentless taxer, noting in his stump speech that "I don't believe in taxing everything you make." While vowing that he doesn't want to increase income taxes, he quickly adds that there are unspecified "other sources" of revenue.

Dole's propensity for making mistakes at critical moments became apparent once more as the Republican race started to look like a two-man contest between himself and Bush. When President Reagan signed the INF treaty, Dole sought to placate the antitreaty GOP right by expressing skepticism. That lasted barely a week before the pressure became too great and, at Reagan's side in the White House, he declared himself for the treaty—angering the right and disappointing the moderates for not doing it sooner.

Under the pressure of the campaign, as some had predicted, signs of the "old Dole" emerged. In January, Dole persisted in pressing Bush about what advice he had offered President Reagan in the Iran-Contra affair, much to the chagrin of his fellow Republicans, who thought Dole was just handing the Democrats more ammunition. All this despite the fact that Dole has carefully avoided saying whether he agrees with the majority (Democratic) or minority (Republican) report on the affair.

While he has tried to keep his tongue under control, it doesn't always work. Back from a trip to Nicaragua, he said there was nothing wrong down there that a little "three-day invasion" wouldn't fix. His "snide" may yet get him in trouble again.

Meanwhile, without any real motivating force besides being the next logical career move for him, he is hard-pressed to come up with an explanation for why he is running. He seems to be following Lyndon Johnson's 1960 formula of bragging that he alone among the candidates knows how to cut a cloakroom deal.

It's hard to come up with a less inspiring platform to offer the American people. Americans have historically sought an inspiring commander who can stand on the bridge and steer the ship, not the guy who knows how every gear in the engine room meshes with every other, important as that is. Herbert Hoover and Jimmy Carter were both technocratic engineers by profession and both were abysmal presidents rejected by the voters.

Dole is very much a part of government and government is a part of him. In debates with other Republican candidates he has called for a cease-fire in the war on Big Government and surrender in trying to make it shrink. "The government exists. We're not going to get rid of it," he snapped at one point. He said Republicans should concentrate on trying to make it work better.

That's hardly an inspiring call to action. If your agenda includes serious effort to reduce the size of the intrusive state, Bob Dole is clearly not your man. ◻

John A. Barnes is deputy editorial page editor of the Detroit News.

MUSICAL ALIENS KEEP OUT

Ever vigilant to protect the lounge singers of America, the border patrol is blackballing musical innovators from abroad.

by BILL FORMAN

Kevin Lycett, bassist for the Mekons, makes his way through the crowd that packs the tiny Santa Monica record shop where his group is scheduled to perform. Already a half-hour late, the band members chat amiably with their audience while awaiting a missing drummer. "There must be some law about a group of seven people, it is the most difficult organic being to move," laughs Lycett, the beleaguered Brits having already managed to show up late for one soundcheck, two shows, and at least one interview.

Texas Records, though located in Los Angeles, is an appropriate setting for this eclectic outfit, who have taken in recent years to wearing 10-gallon cowboy hats and stumbling through a drunkenly brilliant country-and-western–influenced repertoire. Still, the band won't earn enough this afternoon (or later this evening at their club gig) to "command a high salary." Texas Records doesn't necessarily have a "distinguished reputation." And a clutch of union musicians would no doubt perform a far slicker version of "Help Me Make It Through the Night."

So what? So all this matters to the U.S. Immigration and Naturalization Service.

Screening musicians, as well as other artists and entertainers, is not among the INS's best-known activities. But the immigration service of today could be screening out the Beatles of tomorrow, especially if proposed new "H-1" visa regulations are adopted.

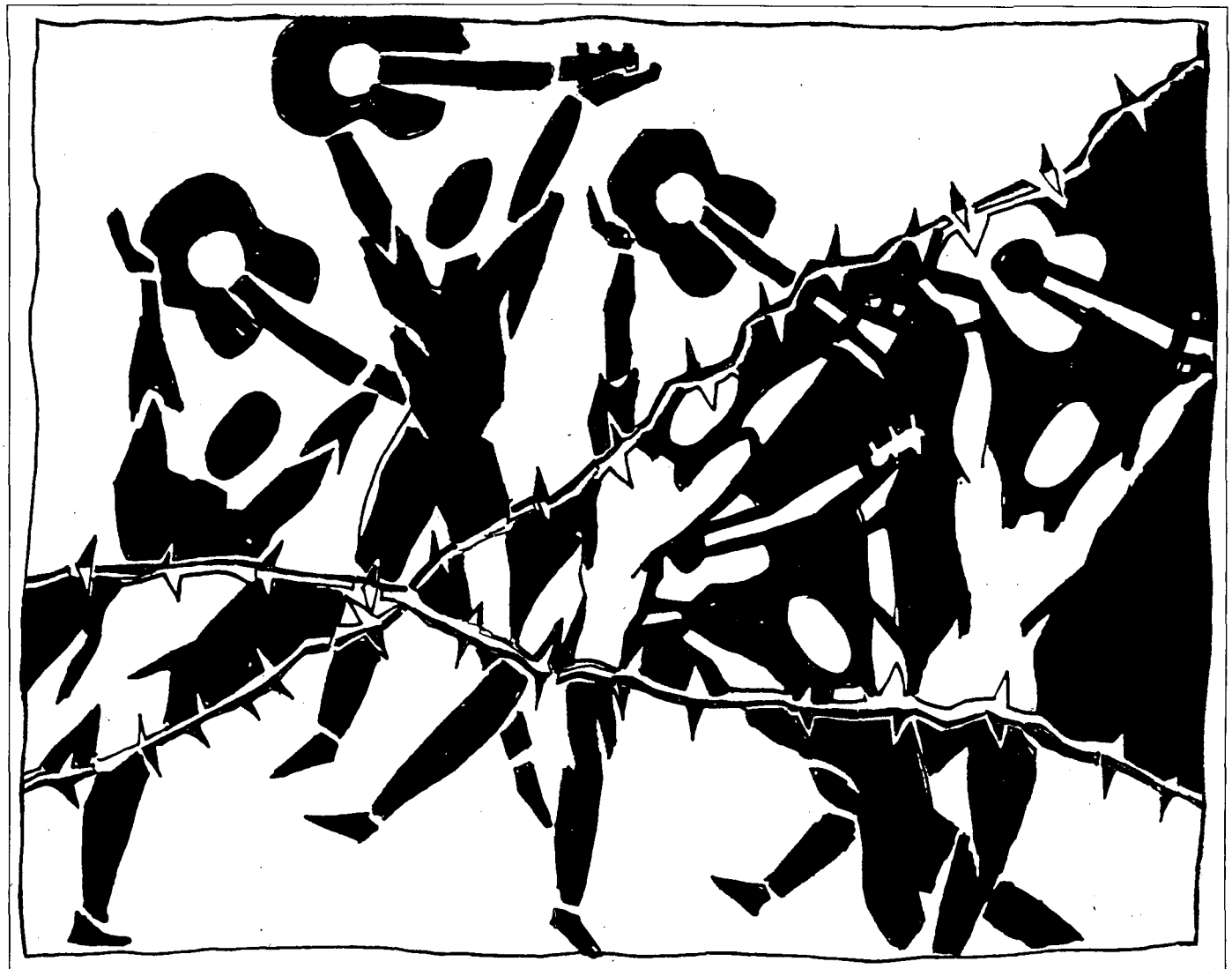
The H-1 application, a two-page form reserved for "aliens of distinguished merit and ability," remains the only practical means by which musicians can gain entry into this country to do a tour. The proposed regulations would add a checklist of requirements, ranging from the ability to "command a high salary" to the attainment of "extensive commercial success," "national or international acclaim," "significant awards," and "reviews in major newspapers."

The INS says it's all a question of streamlining, of debugging the system of vagueness and potential abuses. But some musicians and members of Congress are not convinced of the new guidelines' wisdom. These critics fear that the INS will exercise its right to say no to all but the most mainstream artists, ushering in a new era of cultural isolationism.

"Ninety-five percent of the complaints are coming from five percent of the petitioners," argues INS press officer Rick Emmet, who says the artists are protesting regulations that would be applauded by doctors and other professionals. "Now those aren't exact figures," he admits, "but that's where the complaints are coming from."

The INS says it doesn't know whether the percentage of rejected applicants is increasing, as critics speculate. "There's no reason for us to collect that data," says Emmet's colleague Duke Austin. "You judge a case on its merits, not on any quota."

According to Austin, the rationale for



tightening up the regulations is that "before, it was all done on memorandums and policy statements and court cases. Now we've tried to tie that together and walk that fine line between protecting American labor interests and still allowing people who meet the standards to come here and entertain."

The problem is that not everyone agrees with the INS's standards for artistic validity. Tripp Milich runs Artists Against Visa Denials (AVID), a California-based organization of artists, musicians, and club-owners who are part of that vocal "5 percent" Emmet dismisses as overly sensitive. The new regulations will have the greatest adverse effect on "non-mainstream groups with particular types of audiences, whether that be new wave, folk, punk, or *nueva cancion* music out of Latin America," claims the former San Francisco Mime Troupe member, who has helped bring various folk musicians into the country. "And the same is true of dance, theater, etc.—the people most affected clearly are not going to be the Julio Iglesiases of the world."

It's doubtful that the combined tour earnings of the Mekons, New Model Army, Ferron, and Third World (all of whom have had H-1 applications rejected or delayed long enough to result in canceled dates) would come close to the amount of money an entertainer like Phil Collins takes out of the country in one fell swoop. Still, the INS continues to present the regulations as a means of protecting unemployed musicians.

"I submit to you that you would logically understand why we shouldn't bring in 50,000 bricklayers if there were bricklayers unemployed," insists the INS's Austin. "But somehow people have a problem with saying, well, you don't bring in musicians if we have musicians unemployed. And that's the intent of the law. The law says, hey, if you're exceptional, you know, if you just painted the Sistine Chapel, that's different than being just a painter." (Yet the forthcoming INS regulations care more about how much you were *paid* for painting the Sistine Chapel.)

If a band plans to play only to small clubs, they can pretty much forget it. "There may be some people who get in because they're not competing with anybody," says Austin. "Maybe there's a metal drum band in the Bahamas and nothing like that in the United States. So they're eminent in their field, though very small. But they're not putting anybody out of work either, because there's no metal band here that's being unemployed because of their presence. So in that case, they might be able to make the grade even though it would be a small attraction."

What about basic British rock bands who play the club circuit? "There's rock bands in the United States, aren't there? There's rock bands *all over* the United States. Just because they're a rock band, does that make them eminent? No, I don't think it does. I don't think it makes you preeminent because you're a rock band or because you're a woodcutter."

Gradually the real issue becomes clearer in Austin's words: "I mean, they take the other side of the issue in the actors guild and the musicians union. They say, 'Why are you letting them in

here when we've got just as good musicians here? You're letting them in here just because they work cheaper, that's not fair to us.' And I'd say that's a very defensible position."

And anyway, "being denied for H-1 doesn't mean you can't come. File an H-2 application. If there's a need for your labor, and there's no domestic labor to fill that need, then file an H-2 application and bring in foreign labor."

Unfortunately for these less-than-preeminent artists, the H-2 visa application process requires Labor Department certification, as well as proof that equivalent American performers have been solicited and are unavailable for the dates in question, a tangled procedure nearly as baroque as obtaining a green card.

The unions-and-employment argument is one that AVID doesn't want to take on. "No one's saying the doors should be wide open to every cover band that wants to come in and play the Ramada Inn," counters Milich. "The people we're concerned are going to be kept out are cutting-edge musicians and performers who are creating new music and new art and are offering something intrinsically unique. And it's not just new, it could be doing ancient Celtic folk music, for that matter. But the fact is that a Ramada Inn cover musician is not going to be able to play that stuff. And to think that there are Ramada Inn musicians that *want* to play that stuff is also off the wall. I mean, how many union musicians do *you* know that want to fill in for the bass player in the Mekons?"

To finally get in for their tour, the Mekons "had to supply some additional information," says band member Lycett, whose records are released in the United States on Minneapolis-based independent Twin Tone. "We had to get Doug Simmons, who writes for *The Village Voice*, to write a letter saying that if we didn't come it's the end of Western culture as we know it."

Another British group, New Model Army, was twice denied entry for lack of artistic merit. They finally got permission for an American tour coinciding with their third album. "Basically they got in because the label requested it," explains Jude Hendershott, A&R department staffer for the band's label, Capitol Records. Earlier requests through their booking

This little-known use of INS power could spell disaster for the U2s and Polices of tomorrow.

agent in New York and an immigration attorney had proved futile. "It didn't happen until the label actually got involved, even though the INS knew the band was on Capitol all along and that we had an album on the street and the tour was to promote the album."

How did the INS conclude that New Model Army wasn't artistically good enough? "According to the agent who was trying to get the H-1," says Hendershott, "the INS said that they called the local union, the local 802, and asked those people if they've ever heard of this band. But of course all the musicians' locals are staffed with people that are about 80 years old. And the artistic merit of a band that's not mainstream is somewhat up to the ear of the beholder."

Bandleader Slade the Leveller thinks there's more to it than that. "It's very strange that the immigration authorities should set themselves up as arbiters of public taste," says Slade. "So I think there's a lot more to it than meets the eye, but I'm not really in a position to say what....Obviously everyone has their suspicions."

But the Mekons, who became identified with the left because of their many benefits on behalf of the British miners' strike, are less suspicious of political motivations, which the INS denies are a factor. "You hear stories about how there's a political edge to the giving of H-1 work permits," says Lycett, "but then it's very hard to get anything to confirm that. I mean, if you're turned down, it's a lot nicer to think that you're red-hot radicals who can tear down the walls of Washington, than that maybe they thought you weren't anybody in particular and didn't want you in."

Hendershott disagrees, even though the INS let left-leaning rocker Billy Bragg through when New Model Army was being denied. "Bragg is definitely left-wing, but he's fairly quiet in his approach. And New Model Army is fairly aggressive in their approach. In some cases, they're left-wing, but not traditionally. If they *were* Marxists, they *wouldn't* get in. In my opinion, this isn't a free country when it comes to political beliefs, only when it comes to consuming soap."

Politicians are paying attention to the proposed new regulations, too, with staffs for Sens. Edward Kennedy and Paul Simon looking into the matter. The INS fears congressional involvement will indefinitely stall what was meant to be an internal affair.

What happens next? "It's very hard to tell," says the INS's Austin. "Congress has initiated some legislative action to say that they don't want us to publish new regulations and that they may revisit this issue in a legislative manner. But that's where it rests right now."

AVID's Milich remains less than optimistic. When amnesty for recent illegals went into effect in mid-1987, Kennedy's office told him "there wasn't going to be much activity on the H-1, because that was small potatoes compared to the other things the INS was dealing with. But I would say the dust is settling, and I wouldn't be surprised if any day now the INS published their revised edition of the regulations."

But the publication of the new regulations may end up being little more than a formality, for Milich believes the INS is already using their "preeminent" criteria in deciding current cases. This little-known use of the power of the INS could spell disaster for the U2s and Polices of tomorrow, groups who build their followings from the ground up through low-profile tours of less-than-distinguished venues. And perennial fringe groups with cult followings may have more success sending postcards to their fans.

Perhaps there's some comfort in the fact that Julio Iglesias fans really have no cause for concern—provided he doesn't try playing small clubs without a steel drum band behind him.

Bill Forman is associate editor of Isthmus *and a regular contributor to* Music and Sound Output.

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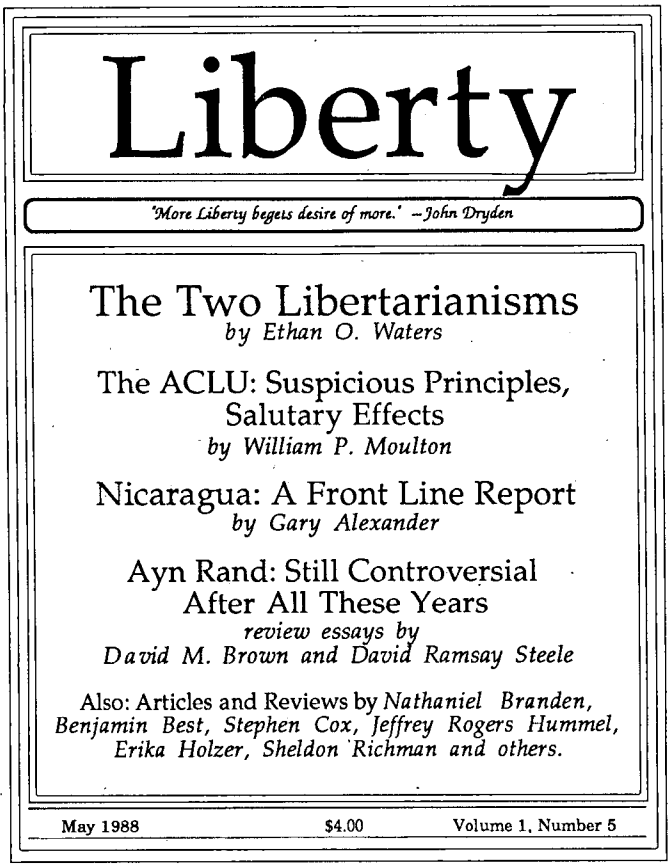
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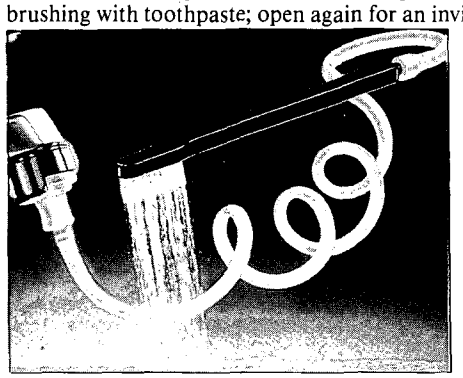

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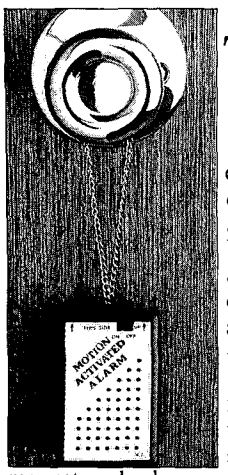

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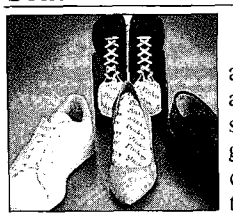

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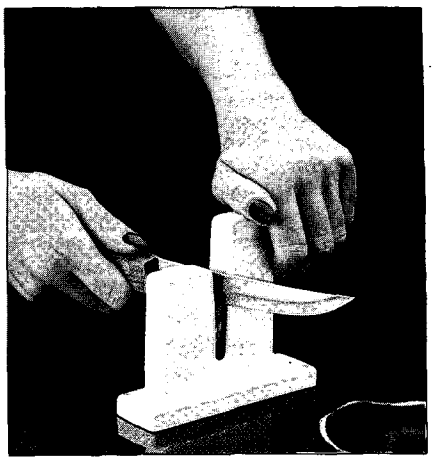

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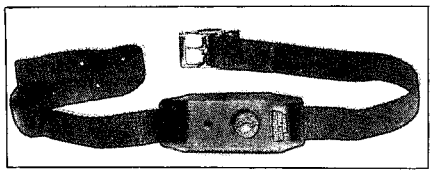

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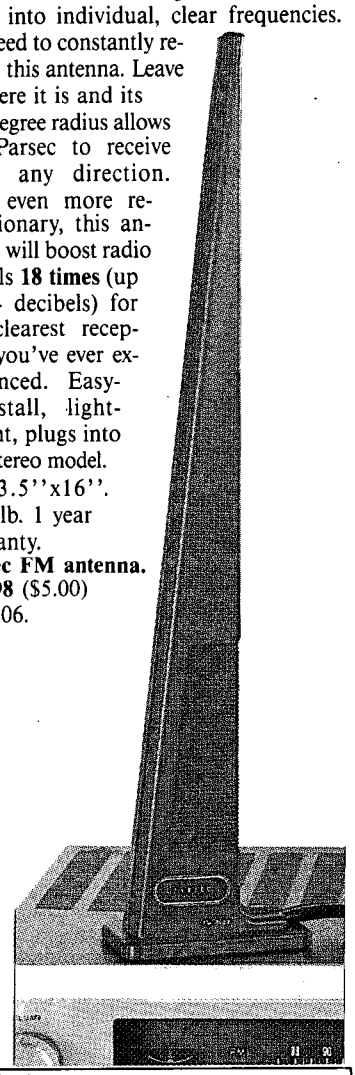

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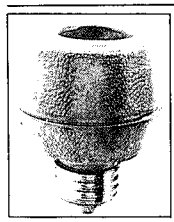

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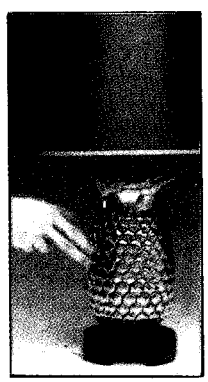

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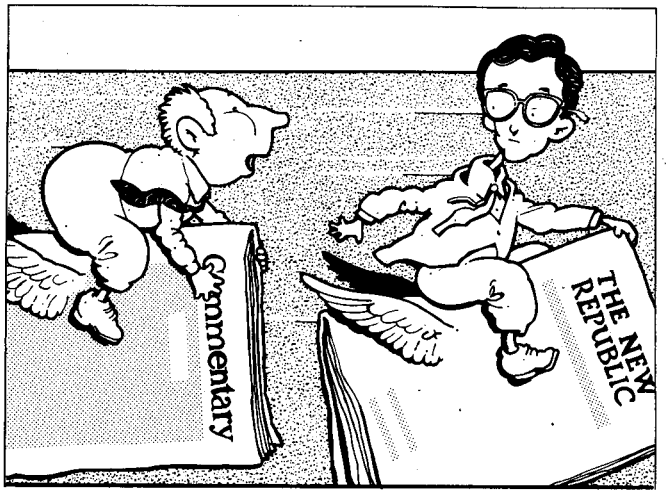
By Roy A. Childs, Jr.

Good and Evil in the Thinking Press

While the public dialogue today remains dreary, controversy, satire, vision, and even outrage still rear their heads in the opinion press. In one magazine after another, editors and writers struggle to make themselves heard. Right and left continue to attempt to draw blood or plead for a cause, often providing what we see all too rarely today: interesting, provocative opinions. In this review of current periodicals, I'll try to provide a guide to some of the best and worst to be found.



Let's begin by paying tribute to the most consistently interesting political magazine in the country: *The New Republic*. Edited by Michael Kinsley, it is fresh, unpredictable, and brash. Kinsley manages to encourage both wit and fairly subtle reasoning from a fine stable of writers who represent a surprisingly broad range of opinion, with a few lamentable hobby-horse exceptions. And even when it is wrong on an issue, never mind: this is the kind of magazine with which you can enjoy disagreeing.

Pick up a few issues and see if you don't agree. Start with a regular feature, "The Zeitgeist Checklist," and then zip through the rest of it. I turn at random to a few recent issues.

In that of last December 28, semi-conservative reporter Fred Barnes writes an open appeal for conservatives to unite behind Jack Kemp, who he sees as Reagan's only logical heir. Barnes predicts that, as things look, Kemp won't make it beyond the early primaries. "The most likely scenario is that Bush or Dole will win the nomination and presidency, and soon break conservatives' hearts. Conservatives have only themselves to blame."

A few pages later, economics editor Robert Kuttner, a terrible economist—apparently the younger generation's answer to Robert Lekachman and other leftist hacks—makes the case against (government) austerity and in favor of (sigh!) higher taxes. For a little fun, read "The Fifth Columnist," a nasty review by Brit expatriate Henry Fairlie of left-wing Irish expatriate journalist Alexander Cockburn's collection *Corruptions of Empire*. (By the way, I'm a big fan of Cockburn's writing.)

TNR's main pundits in their always-provocative campaign coverage so far are Barnes and Hendrick Hertzberg, a maverick liberal who is something of a loose cannon. In the January 18 issue of TNR Barnes reports on the top agenda item for all the other Republican candidates: "Get Bush to Crack," while Hertzberg's "Monster from the ID" manages to be both scathing and sympathetic toward Gary Hart—a good balance, I'd say.

He finds a notable comparison between Hart and Nixon: "Both men are proven liars, but from the standpoint of statecraft Hart's lies have been uniformly trivial (why he changed his name, where he spent the night), while Nixon's were about rather more important things, such as what countries he was bombing and whether or not he was committing high crimes and misdemeanors."

For a change of pace, read the bizarre article in the same issue by Andrew Sullivan, "Flogging Underwear," which looks at "the new raunchiness of American advertising," features a Calvin Klein ad sprouting naked men and women, and finds that "the best adjective to describe the ethic of the whole power-sex genre of advertisement is: fascist." Fascist? Well, our naked wonders appear to be "Aryans...draped over a Nuremberg-style obelisk." Kvetch, kvetch.

Turn one final time to *TNR*, the February 1 issue, and read Jeffrey Alexander's "Back to Lippmann." Alexander recently visited Poland and relates an interesting development: the progress of "workers' universities" in the basements of churches, where lawyers, professors, scientists, trade union leaders, and others have been "reading books as fast as they could be translated into Polish, so that they could prepare themselves for the distant possibility of a socialist democracy." But a young sociologist surprised Alexander when he told him "which authors were uppermost on the list: Robert Nozick, Friedrich von Hayek, and other authors of the libertarian and free-market right."

Alexander quarreled with his sociologist friend: what's this stuff got to do with socialist democracy? "As many of them see it," he relates, "the practical question about the distribution of modern power is less about fair shares than about whether there is a space for argument at all. Private property is the only means of having a sure footing, a means of shutting out the state, of gaining a territory of one's own. Only private economic power can confront bureaucratized political control." Dare we hope that TNR will learn more about the virtues of private property from these Polish intellectuals?

Yes, there are other magazines in the world. The December issue of *The American Spectator* celebrated its 20th anniversary and, as if to symbolize its often schizoid history, we are treated to 100 pages that neatly balance Good and Evil contributions. George Gilder lets fly with a wildly optimistic, hopeful, and humane essay, "The Message of the Microcosm," a stirring celebration of technology, liberty, and progress that can only be called masterful and endlessly quotable.

A sample: "All value comes from free minds; nothing else matters. Slaves are virtually worthless. By creating slaves,

CHARLES PEALE

the capture of territory destroys its value. In the new world, socialists are capable chiefly of destruction. Wealth and power are products of emancipation, deregulation, immigration, tax reduction, liberty. Governments can increase their sway only by releasing their controls and emancipating their people. Authorities cannot seize power and wealth; what they seize they destroy. They can only grow strong by attracting and liberating creative men and women." Don't miss this powerful essay by one of the few writers I think deserves to be called a visionary.

But turn a few pages and you are into Mark Falcoff's "Let's Be Honest About Vietnam," another of those omnipresent pieces attempting to rehabilitate the Vietnam war of which conservatives seem so fond these days. And countless other snippets, both good and bad. *TAS* reminds me of the little girl with a curl right in the middle of her forehead: when it is good, it is very, very good, and when it is bad, it is horrid.

Let's end up this month with the fist of the neoconservative movement, Norman Podhoretz's *Commentary*. Frankly, *Commentary* seems to be slipping. Its present circulation is just over 33,000, down from the 50,000 range a few years ago. Put in another light, the circulations of what was once one of the most powerful magazines in the world and our own irrepressible REASON could soon crisscross, as REASON continues its long-term climb in circulation and influence.

One major difference between the two publications that might account for some of the opposite trends at work here: *Commentary*'s obsessive social conservatism versus REASON's support for tolerance and peaceful coexistence among people of different lifestyles. Perhaps the steam is running out of the older generation's engine of hostility toward the young and the different, a position with which an officially Jewish magazine like *Commentary* (published by the American Jewish Committee) should never have been very comfortable.

I take as two prime exhibits with which to leave you: the December *Commentary*'s latest in an apparently interminable series of attacks on homosexuals, "Inventing Homosexuality," by Marjorie Rosenberg (about which the less said the better), and an attack by Australian philosopher David Stove on "The Columbus Argument."

Stove takes on what he considers the most viable argument against conservatism in general. "I call it the 'They All Laughed at Christopher Columbus' Argument," he writes. "It goes as follows: 'Throughout almost all of history, people who have proposed innovations, whether in belief or in behavior, have met with hostility....Yet whatever improvements have actually been made in human life, either in our opinions or in our practice, have depended, and must always depend, on some innovator in the first place. We ought, therefore, not merely to tolerate, but to welcome, innovators.' "

Stove finds this John Stuart Mill–style argument "dangerous," and he attacks Mill's pleading "in *On Liberty* for the widest variety of what he chose to call 'experiments in living.' " Stove deems the phrase "a sickeningly dishonest attempt to capture some of the deserved prestige of science for things which had not the remotest connection with science; principally—need I say?—certain sexual and domestic arrangements of a then-novel kind." (Harriet Taylor had left a loveless marriage to live with her devoted John Stuart Mill.)

Ah, but don't worry, for our humble philosopher has a ready answer: while it is true that for every improvement in the human condition there had to be a "new departure," this is equally true "for any change for the worse." And since there have been many more false and bad innovations than good, we have "at least as much reason" to discourage as to encourage innovators.

Our opponent of Mill's alleged "sickening dishonesty" then has the nerve to compare the examples of Columbus, Copernicus, and Galileo with those of Robespierre, Lenin, and Pol Pot—both groups being, you see, "innovators." Isn't something missing here? Perhaps even the tiniest recognition on Stove's part that not one classical-liberal defender of change and personal experiments in living thought one had the right to trample on the individual rights of others?

Perhaps there's no link between views such as these and *Commentary*'s slip in readership and influence. Then again, we can always hope!

Roy A. Childs, Jr., is editor of The Libertarian, *a new monthly newsletter, and editorial director of Laissez Faire Books.*

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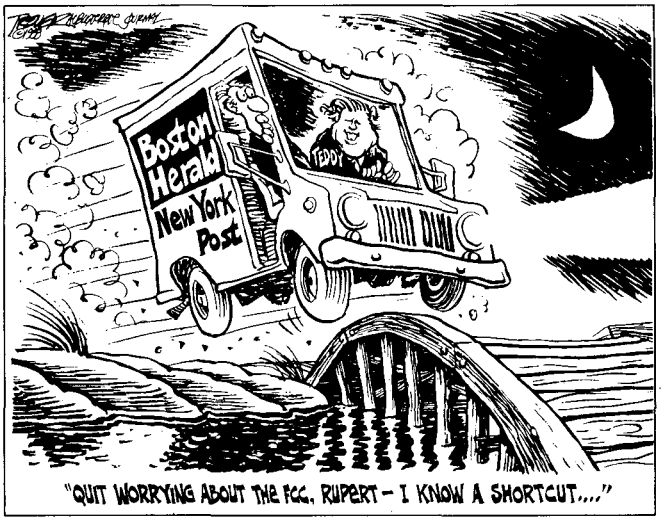
By Doug Bandow

Your Congress at Work

There may have been a time in American history when members of Congress could not properly be presumed to be hoodlums who had merely gained legal sanction for their activities. Not likely perhaps, but at least theoretically possible.

No longer, however. Before it left town last December, Congress voted to shut down two conservative newspapers, endorse the right of congressmen to fly their girl friends on federal planes, reward a senator's campaign supporter with an $8-million grant to the contributor's favorite charity, and distribute generous slabs of pork to universities, developers, municipalities, and other favored interests across the country. It was Congress at its most natural—and its worst—exhibiting a form of civic pornography that our democracy seems incapable of controlling.



America's finest no longer bother to approve an official budget and pass individual appropriations bills: Congress instead routinely ignores statutory deadlines and flouts its own rules, relying on one massive Continuing Resolution, or CR, to fund virtually the entire federal government. The CR is a pernicious creature, violating the constitutional balance by emasculating the president's veto power and allowing congressmen to escape public scrutiny by burying amendments in thousand-page bills.

However, in its rush to adjourn in 1987, Congress produced a masterpiece by even its own unenviable standards. Most unique was the legislators' vote to close two major newspapers that had criticized leading Democrats.

Congressional leaders first tried to use the CR to resurrect the "fairness doctrine" that empowers the Federal Communications Commission (FCC) to regulate the "fairness" of broadcasters' programming; President Reagan stymied their effort by threatening to veto the entire bill. However, the House and Senate conferees conjured up an even more noxious amendment that the administration was unaware of and that most members of Congress did not see before approving the CR.

The FCC prohibits "cross-ownership" of a TV station and newspaper in the same market—one of many archaic broadcast regulations. The commission can, however, waive the rule, as it did temporarily for Rupert Murdoch, who owns the *New York Post* and *Boston Herald*, as well as a TV station in both cities. Murdoch had planned to apply for a permanent waiver.

But Sen. Edward Kennedy (D-Mass.), routinely assailed by the *Boston Herald* as the "fat boy" and the "world's oldest juvenile delinquent," decided that it would be, in his words, "best for the nation and best for Boston" to silence Murdoch. So he enlisted Sen. Ernest Hollings (D-S.C.) to add language prohibiting any change in FCC rules or any extension of waivers—a provision that affects only Murdoch.

So unless New York's two senators are successful in their effort to reverse Hollings's amendment, Murdoch will have to either shut down the papers or hold a fire sale. If any good has come out of this shameful episode, it is that Congress's heavy-handedness has dramatically exposed the myth that broadcast regulation is not political and protects the public.

A racier bit of abuse involves federal transport for congressional girl friends. In February 1986 Rep. Charles Wilson (D-Tex.) arrived in Pakistan and asked the embassy to fly him and Annelise Ilschenko, a lobbyist, to another city. The Defense Intelligence Agency (DIA), in control of the planes, said no, since she was neither family nor staff.

Wilson told embassy officials he'd retaliate with budget cuts, and he tried, unsuccessfully, to reduce the DIA's funding later in 1986. He finally made good on his threats last winter, adding amendments to the CR eliminating the DIA's exemption from personnel cuts and cutting six of the agency's planes. (The conference committee eventually restored funding for four of them).

"It can't help but look like this kind of spoiled congressman with a bloated sense of self-importance trying to get back at someone for not flying his girlfriend around," Wilson acknowledges, but he refuses to defend his action. His staff says the congressman just wanted the DIA to receive a fair share of budget reductions—but his vendetta began in 1986.

Of course, it is hard to imagine a federal bureau that couldn't stand being cut. But we would be better off if Congress based spending levels on something other than personal spite.

But the CR is not really about budget reduction. Especially when you're a friend of and campaign contributor to a senator.

Zev Wilson is a board member of Ozar Hatorah, an organization concerned about North African Sephardic Jews. It has never been a favorite of the American Jewish community, so Wilson (Zev, not Charles) hit up his friend Sen. Daniel Inouye (D-Hawaii), to whose 1985 campaign he had contributed $1,000. Inouye then stuck into the CR, over State Department objections, an $8-million appropriation for—guess what?—Ozar Hatorah, to build refugee schools in France.

Why should American taxpayers fund such an enterprise? The preservation of

JOHN TREVER

the Sephardic Jewish "religion, language and culture" is a worthy cause, says Inouye: Wilson's political backing had nothing to do with the issue. Of course. (Under enormous public pressure, Inouye now says he "made an error" and will ask Congress to undo the dirty deed.

The CR was loaded with this sort of pork. Let us count just a few of the ways taxpayers suffered so influential interest groups could enjoy life to the fullest:

- Beekeepers pressured Congress to lift a $250,000 limit on support loans. Rep. Silvio Conte (R-Mass.) estimates that 15 honey producers could gain $6 million.
- Conte, who fought the sweet deal for beekeepers, won a $60,000 grant for the Belgian Endive Research Center at the University of Massachusetts.
- Sunflower farmers' request for a new price support program was turned down—but Uncle Sam will buy $10 million worth of sunflower oil as a consolation.
- Sen. Lawton Chiles (D-Fla.), the Budget Committee chairman who regularly denounces the deficit, pushed through a $25-million research grant for...the University of Florida.
- The National Rural Electric Cooperative Association, believing that $53.1 billion in subsidies over the last 14 years was not enough, won approval of an amendment allowing local coops to refinance $2 billion in federally guaranteed loans, with no prepayment penalty.
- House Speaker Jim Wright (D-Tex.) inserted into the CR language directing the Federal Aviation Administration to give "high-priority consideration" to a new airport in Fort Worth—it just happens to be located in his district.
- Rep. Joseph Early (D-Mass.) successfully lobbied for an amendment forcing the Economic Development Administration (EDA), one of many federal slush funds, to provide $1 million for a high-tech research facility in Massachusetts.
- Sen. Lowell Weicker (R-Conn.) used the same tactic to subsidize a private research organization in his state.
- Oklahoma State University won a $250,000 EDA grant for an international trade center through the efforts of Rep. Wes Watkins (D-Okla.).
- Sen. John Stennis and Rep. Jamie Whitten, both Mississippi Democrats, arranged $3 million for the Institute of Technology Development in their state.
- The CR also included a $260,000 grant for cranberry research, $5 million for a Cleveland harbor project, $50,000 to study New Mexico wildflowers, and $97.3 million in grants to 10 different colleges for water quality research.

And the list, unfortunately, goes on.

We are more than seven years into the Reagan revolution and nothing seems to have changed on Capitol Hill. Indeed, the stench may have gotten worse: who in 1981 would have predicted that liberal Democrats would eventually use the budget process to surreptitiously close down a critical newspaper?

Nor is there any reason to expect the situation to improve, whoever is elected president in November. Congress must abandon its parochial perspective, and that will not happen as long as voters expect their elected officials to bring home the bacon in the form of federal money. In short, we can look forward to a rerun of Congress's sorry budget show next December.

Contributing Editor Doug Bandow is a Washington-based syndicated columnist.

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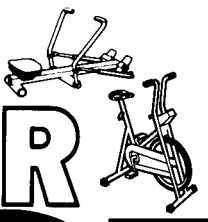

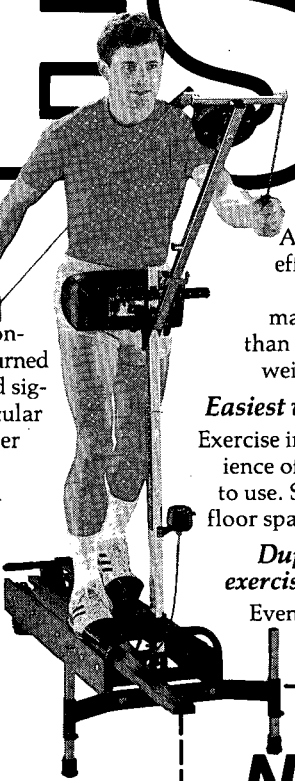

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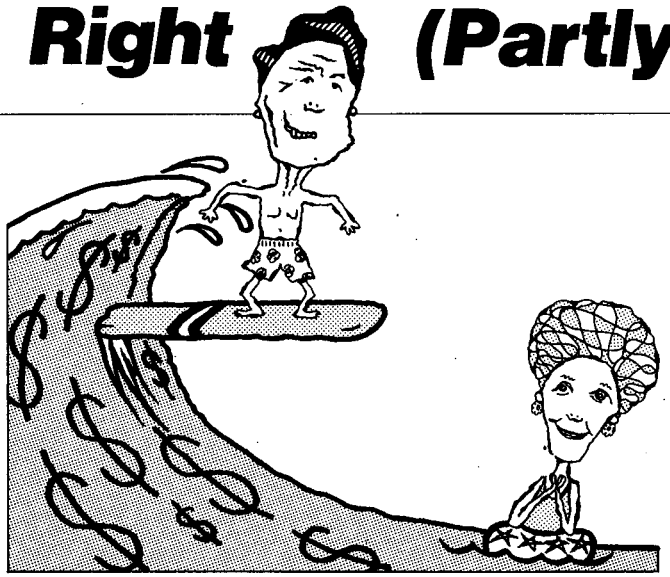
By David R. Henderson

The Supply-Siders Were Right (Partly)



In the late 1970s, Arthur Laffer, Jude Wanniski, and other "supply-siders" claimed that a cut in marginal tax rates could *increase* tax revenues. At the time, other economists agreed that this is theoretically possible. After all, someone who saw his top marginal tax rate fall from 60 or 70 percent to, say, 50 percent, would have a greater incentive to earn income and realize capital gains and less incentive to take deductions, shelter income, and evade taxes. Each of these factors would expand the tax base. But few economists other than the supply-siders believed that the tax base would expand enough to offset the decline in rates. I was one of the skeptics. We were (partly) wrong.

Surprisingly, evidence supporting this view comes from that Ivy League bastion of mainstream economics, Harvard University. In a recent article in the *Journal of Public Economics*, Harvard's Lawrence B. Lindsey shows that cutting the top rate from 70 percent in 1980 to 50 percent in 1982 actually increased tax revenues from high-income taxpayers.

In 1984, for example, the latest year for which Lindsey had data, taxpayers with incomes of $200,000 a year or more paid $42.1 billion in taxes. This was $8 billion more than they would have paid under the old tax law. In 1985, according to some unpublished data provided to me by Lindsey, they paid $49.5 billion—$9.6 billion more than they would have paid. Bottom line: to soak the rich, cut their tax rates!

How could Lindsey tell what tax revenues would have been? Using detailed data on 25,000 taxpayers in 1979, he developed a model to do just that. He adjusted for the recession of 1981-82 and the recovery and expansion of 1983-85. He tested his model by seeing how well it predicted revenues for 1980, the year before the first installment of the tax cut. The fit was very close.

Why were the supply-siders only *partly* right? Because the more extreme of them spoke as if total revenues, not just revenues from the rich, would increase (although I confess that I have not been able to find this claim in anything *written* by Laffer or Wanniski). As Lindsey shows, that did not happen. Not even close. Had there been no tax cut, revenues for 1984 would have been $385.6 billion. Their actual level: $304.0 billion.

This failure of the most extreme supply-side prediction is not surprising. First, cuts in the marginal tax rates of lower- and middle-income taxpayers were small—for a median-income family the marginal rate dropped from 32 percent to 25 percent. Which means the after-tax reward for earning income rose from 68 cents on the dollar to 75 cents, an increase of only 10 percent. Compare that to a high-income taxpayer whose after-tax return goes from 30 cents on the dollar to 50 cents, a whopping 67 percent!

Second, the nonrich have less room to maneuver than the rich. As Lindsey points out, when rich taxpayers' rates drop, they can realize more capital gains. Also, the self-employed rich and even high-income employees can typically alter their compensation packages away from perks and toward money.

Based on his data, Lindsey estimates that a top tax rate of about 35 percent would maximize federal tax revenues. Since the period of time he studied, President Reagan and Congress cut the top rate further, from 50 percent down to 28 percent (or 33 for a few taxpayers with the alternative minimum tax). So the top rate is now close to the revenue-maximizing rate.

The implication of this finding for future tax and budget policy is enormous and crucial. Even if we *wanted* to increase taxes on the rich (I don't want to, and not just because I plan to be one of them some day), we can't. Raising the top tax rate further would yield at most a few billion dollars and could even cause revenues to fall.

What about raising tax rates on capital gains? As Lindsey shows in a recent paper, the revenue-maximizing rate on capital gains is 15-20 percent. Since the top rate on capital gains is now 28 percent, the only way to raise more revenues here is to *cut* this rate.

Follow the logic further. Because the nonrich don't have much room to maneuver when tax rates change, the only surefire way to raise more revenues from income taxes is to increase taxes on the nonrich. And that would be wrong, as someone in the White House once said. It would also be political suicide, as Mr. Mondale learned. The last year during peacetime that tax rates were raised explicitly (rather than through bracket creep caused by inflation) was 1940!

We could raise corporate taxes, but Stanford tax economist John Shoven argues that the poor (as well as the rich) bear a disproportionate burden of that tax: many of the poor are old people who depend on income from their investments.

A consumption tax? To be a sure money-raiser, it would have to hit the nonrich, or it would cause some of the same disincentive effects as the income tax.

Bottom line: we're stuck.

"What you mean, *we*, kemo sabe?"

"You're right, Tonto." *They*—the ones who want to tax us more—are stuck. *They can't raise taxes without hurting poor and middle-income taxpayers.* Period. They'd better figure out how to cut spending.

David R. Henderson writes frequently for Fortune.

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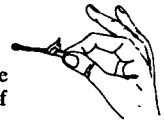

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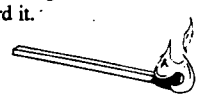

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By Vincent Carroll

Journey to Nowhere

Human nature has once again embarrassed the heady plans of social engineers, this time in the unlikely setting of Malaysia. The spectacle hasn't been pretty.

The country's demagogic prime minister, Dr. Mahathir Mohamad, closed several newspapers a few months ago and ordered the arrest of scores of people, from opposition political leaders to environmentalists. The soft shell of Malaysian democracy collapsed, with the government explaining that it had feared a racial explosion.

As well it might. There exists no better showcase than Malaysia of government-sponsored racial favoritism, no place to more clearly observe the corrosive result of penalizing productive citizens in order to shuffle wealth and status.

The victims, who tend to be of Chinese or Indian ancestry, naturally don't like it. They resent the fact that four out of every five slots in the universities are reserved for Malays, who comprise only about half of the country's population. They bridle at the heavy Malay dominance of the overstaffed civil service, not to mention policies giving Malays an edge in obtaining credit, housing, and business deals with the government.

"We're not even treated as well as second-class citizens," exclaimed a Chinese manager of a rubber and palm oil estate with whom I stayed briefly last September in central Malaysia.

The estate manager clearly didn't enjoy talking about politics or ethnic relations. He would become agitated and red-faced. Yet every now and then he couldn't help himself. One morning, for example, after a tour by Isuzu truck between endless rows of rubber trees where Indian tappers were hard at work, my host drove us to a new sawmill. This gave him a chance to expound on the entrepreneurial virtues of the Chinese.

Although Malaysia is a major exporter of wood, he noted, most of it comes from the jungle. Yet his sawmill processed only rubber trees, an inferior product that wasn't sold abroad until recently. Rising timber prices and Japan's insatiable demands at last enabled such sales.

And who had seized the opportunity? Here—and most everywhere else, the estate manager assured me—it had been a Chinese. "These rubber sawmills are so new they aren't even taxed yet," he boasted. "You have to be the early bird to get the worm, like these Chinese chaps."

The Malaysian Chinese, who constitute about 35 percent of the population, are justifiably proud of their accomplishments. Brought in by the British in the 19th century to work the tin mines, many of them eventually saved enough money to start their own businesses. Their penchant for hard work, organization, and family loyalty, as well as an emphasis on education, propelled them toward achievement.

Most Malaysian Chinese are by no means wealthy, or even recognizably middle-class by American standards, yet as a group they've outdistanced the ethnic Malays. For that sin they've had to endure the ludicrous official charge that they owe their position to past favoritism by the British—as if a miner's life lifted any man onto a soft road to success.

The tragedy is that Malaysia is richly endowed, boasting sufficient room and resources for all its communities to prosper. With only 15 million people, it doesn't suffer the population pressure of Indonesia or, increasingly, the Philippines. In fact, Malaysia is more prosperous than either of those nations and has become the destination for thousands of illegal immigrants from both.

It's impossible to guess whether Malaysia could bootstrap itself up the economic ladder in the exhilarating style of South Korea, Singapore, Hong Kong, or Taiwan. Commodity exports such as tin, rubber, palm oil, pepper, timber, and petroleum tend to be fickle allies of development, given their price gyrations. Nor have the easygoing Malays matched the entrepreneurial savvy of some of their neighbors on the Pacific Rim.

Yet rather than deploy all its assets in international competition, Malaysia seems determined to neglect a trump card: its educated Chinese elite. Many of the Chinese I met had one or more relatives studying or living abroad, and a number of the luckier ones confessed they'd considered emigrating themselves.

Take the case of Rose Vu (not her real name). At 30, she directs a team of computer programmers for a small firm in Kuala Lumpur, the national capital. Her team customizes software for businesses preparing to introduce computers to their operations. She then handles the inevitable glitches during the shakedown period after installation. Vu makes good money, travels widely, and has steadily expanded her realm of responsibility—a profile of success by any nation's standards.

And yet she says she must emigrate someday, at least if she marries and wants to start a family. "I don't know what kind of future my children would have in Malaysia," she says, adding that she doesn't trust the government to be fair with the Chinese.

Already one of her brothers has moved to Australia, to join a girlfriend who herself left Malaysia a year before. Vu meanwhile pays the tuition of another brother attending medical school abroad. Like so many from his ethnic community, he couldn't get into a university at home. Vu's own alma mater is a college in the Philippines.

The Malaysian Chinese never expected their government to treat all ethnic groups the same. From the outset of independence, in 1957, their community agreed to Malay demands for political dominance and for Islam to be declared the national religion. The Chinese have dutifully learned to speak Malay in school, too, while the Malays make no similar effort to master a Chinese dialect.

Still, the political accommodation always assumed sufficient latitude for each community to prosper in tandem, unthreatened in any basic sense by cultural or economic encroachment. Although that prospect was always problematic—interracial riots in Kuala Lumpur killed hundreds in 1969—it seemed at least possible as recently as the late 1970s. Annual growth had reached 7 percent, largely as a result of surging commodity prices. By 1985, however, the economy was actually shrinking, thus undermining the dream of a painless redistribution of wealth and power to the Malays. (The economy has rebounded somewhat since then.)

Whether the Chinese today are truly threatened, a good number feel they are. Nor has Prime Minister Mahathir done much to quell the concern. Rather, he periodically goads it. The recent crisis, for example, followed a government move to assign administrators who aren't fluent in Mandarin to Chinese-language schools.

To be fair, Dr. Mahathir is a model of tolerance by the standard of some of his countrymen. Islamic nationalists on the right consider the present government far too accommodating of non-Muslim prerogatives. Their dreams for Malaysia make most Chinese (and many Malays, as well) shudder.

The attractions of Islam can't be underestimated in a still-traditional society undergoing wrenching change, especially one that isn't providing enough good jobs for its increasingly educated youth. The Malays, in other words, are also victims of the politics of racial favoritism. Impossible expectations and the preposterous goals of state planners have let them down, and they're left to search for scapegoats. In a pinch, the Chinese will do.

It's possible, of course, that racial tension would be just as bad and the Islamic nationalists as militant—or worse—if the Malaysian government had never embarked upon racialist policies. After all, this is a country in which many Malays look upon the rest of the population, even those dating back generations, as newcomers and interlopers.

Yet by playing the racial card, the government alienates the community that is perhaps best equipped to propel Malaysia forward. Once inspired, the rhetoric of victimization is not easily turned off, either.

An example of the self-sustaining nature of racial politics occurred during my visit to the eastern Malaysian state of Sabah, on the island of Borneo. Sabah is the only Malaysian state ruled by a coalition dominated by non-Muslims and thus looms as a special target of the prime minister's ire. In mid-September, he charged—without citing a speck of evidence—that Muslims on Sabah had been harassed. Non-Malays, vexed by the groundless charge, chalked it up as another proof of the uncertain tolerance upon which they depend.

Despite obvious tensions, though, Malaysian racial affairs have a strange, understated character—a stiff-backed civility, if you will. People must be drawn out to discuss the issue. Meanwhile, everyone from militant Islamic nationalists to Western-type liberals, to spokesmen for the nation's ruling coalition, contends his program holds the best hope for racial harmony and general progress.

Indeed, the atmosphere is akin to that evoked by Somerset Maugham and Paul Thereoux, whose languid stories of the region often conceal a disturbing and unexpected twist. Malaysia's social engineers thought they'd figured out the future. They would set the country right for the sake of the largest racial group, and they'd simply do it by decree. And then some unseen author of the country's destiny tripped a trap.

The 20th century is a veritable travelogue of such ambitious journeys to nowhere.

Vincent Carroll is a syndicated columnist and assistant editorial page editor at the Rocky Mountain News.

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life & liberty

Scooping Oscar

By David Brudnoy

Empire of the Sun: *Christian Bale (center) must grow four years over the course of Spielberg's brilliantly imagined story of a boy in Shanghai during World War II.*

Unlike almost all athletic contests, where objective winners can easily be determined, artistic contests are won, and lost, subjectively. Never a year passes but that every movie fan utters an internal "we wuz robbed" when some favorite movie or performer or technical wizard is passed over for an inferior choice.

As I write this, in late January, all the significant film societies, local and national, have passed out their awards—invariably making people wonder if the film critics have seen the same movies that the people have seen. And down the road, in mid-April, come the Oscars, the big ones, to the popular imagination the only awards that really matter.

Contrary to anti-Hollywood myth, the Academy's taste is neither philistine nor arcane. Good, sometimes excellent, movies and performers win these awards. Only rarely, as in the near-complete shutout of Steven Spielberg's *The Color Purple* a few years back, does a popular movie fail to win at least one major award (except in the case of trash like *Beverly Hills Cop II*, whose box-office success validates critical disdain for box-office success).

Now comes the time for going out on limbs, recognizing that whatever I, or you, think *should* win Academy Awards may well have nothing much—if anything at all—to do with what the Academy thinks should win Academy Awards. Never mind; this critic business isn't for the faint of heart, so herewith I offer my choices for the top Oscars.

The best picture of the year 1987 is *Empire of the Sun*, which features a child-centered perspective on World War II. Steven Spielberg has brilliantly imagined a story closely based on the true adventures of a man who as a boy lived in Shanghai just before World War II and found himself interned in a Japanese prisoner-of-war camp for four years. There he grew up, cast off his spoiled childish image of the world, and learned to survive, to cope with adversities, and to wriggle through the enemy's bureaucracy, as he eluded the despair of many of his countrymen. It is a gorgeously photographed and thoughtfully conceived film and is in many parts unforgettable.

Other potential winners include *Hope and Glory*, *The Last Emperor*, *Broadcast News*, *Ironweed*, *The Dead*, and *My Life As a Dog*, the latter a foreign film that for the Academy's usual bizarre reasons isn't eligible for the best foreign-language film but is eligible for any other awards.

Best actor: This is a category ripe with worthy nominees and Oscar winners. My choice is the star of *Empire of the Sun*, a 13-year-old British boy, Christian Bale, whose selection would be unusual. His is more than just a touching child performance, it is a knock-out. The kid looks as innocent as the choir boy he portrays early on in the movie; he must grow four years during the course of the film and transform our image of him from detached amusement to involved concern. This is a remarkable achievement for a youngster, and Bale succeeds gloriously.

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ners include Albert Brooks in *Broadcast News*, Jack Nicholson in *The Witches of Eastwick*, Michael Douglas in *Wall Street*, Steve Martin in *Roxanne*, Bob Hoskins in *The Lonely Passion of Judith Hearne*, Gary Oldman in *Prick Up Your Ears*, and Kevin Costner in *No Way Out*. My sentiment leads me to Christian Bale, in any case, but then I'm a pretty soft touch for kids, though Hollywood usually finesses this kind of situation. My choice is definitely a long-shot.

Best actress: Holly Hunter, of *Broadcast News*, doesn't quite dominate the movie, but she is unquestionably the most compelling ingredient in it. She came before us in the weirdly charming *Raising Arizona* early in 1987, bouncing around so energetically that few people really focused on her face. She then leapt into everybody's awareness with the new film, a smooth, largely plausible story of television "journalism" and of three people, two men and a woman, who make their way through that particular maze.

The intensity of Hunter's performance is balanced by a quirky quality that makes her character, the hard-driven and hard-driving TV news producer, at once captivating and somewhat off-putting. This isn't the kind of woman who makes life easy for anybody, or for herself, but she gives a compact center to the story and is never tiresome to watch and consider.

Other possible Oscar winners in this category include Christine Lahti of *Housekeeping*, Lillian Gish or Bette Davis in *The Whales of August*, Maggie Smith in *The Lonely Passion of Judith Hearne*, Meryl Streep in *Ironweed*, and Anjelica Houston in her father's last film, *The Dead*. All splendid, though I lean to Holly Hunter in *Broadcast News*.

My Life As a Dog: *Anton Glazelius plays a 12-year-old in a 1987 release with best-film potential.*

Just what makes a best *supporting* actor or actress nominee is often puzzling. If, for example, Spielberg could maneuver young Christian Bale into the best supporting category, which would be a lie, the kid would win. That would be stretching the rules by which Oscar plays, since the boy is clearly *Empire of the Sun*'s star, so somebody else is going to take the best supporting Oscar. I think he should be Lee Ermey, who plays the drill instructor in *Full Metal Jacket*. Ermey *was* a drill sergeant in the Marines, and so some might discount his performance as less acting than reincarnating his own reality. But playing yourself is harder than it seems in the abstract, and this chillingly intense performance is not a mere rehash of the actor's previous job description; it is first-rate acting, and it gives Stanley Kubrick's movie about Marine training and Marines in battle in Vietnam a grit and necessary ugliness that leaves viewers—at least it left me—breathless. Ermey's is the performance that won't leave my mind.

Holly Hunter: *Our critic's pick for best actress in "Broadcast News," which also stars Albert Brooks as one of three TV journalists.*

In the best supporting actress category, the pickings are slimmer, in part, happily, because so many of the most admirable women's performances in 1987 were in the starring category. Still, one does stand out: Kathy Baker's, as a working girl in *Street Smart*. This is the movie that stars Christopher Reeve, minus his Superman suit, as a TV journalist in over his ears. But the movie's real power is in two supporting performances—Morgan Freeman as a dangerous pimp and criminal and Kathy Baker, in a role that is usually a cliché but in her hands takes on a new freshness. It is, in fact, a haunting performance.

Who knows what Oscar will do in April? If *I* were the Academy, you would know, now, who the winners will be. And if cabbages were kings...

Contributing Editor David Brudnoy is film critic for Boston's WBZ Radio, the Tab *chain of newspapers, and the Around Town Cable TV Network.*

the book case

Chairman Mao's Red Terror

By Steven W. Mosher

***Life and Death in Shanghai*, by Nien Cheng**
New York: Grove Press, 547 pages, $19.95

MICHAEL KNEPP

Each of the great holocausts of our time has produced its own literature. Eli Weisel is only the best known of dozens of writers who have documented the Nazi extermination campaign, while the Soviet Union's excesses have been the subject of numerous exposés, of which Alexander Solzhenitsyn's chilling account of the Gulag and Robert Conquest's recounting of the Stalinist Terror are merely the best known. The post-fall pogrom of South Vietnamese officials and intellectuals has been described by Doan Van Thoi, and even the genocide in remote Cambodia has been brought to the attention of the world by *The Killing Fields*.

Slower in coming has been an adequate description of one of the most brutal and far-reaching holocausts of them all—Chairman Mao's Cultural Revolution. For 10 long years China was in the grip of radical leftists, who ruthlessly persecuted millions of "enemies of the people." Many of these died, and the survivors have been silent. Now one of these "enemies" has come forward to tell her story.

Life and Death in Shanghai is Nien Cheng's autobiographical account of her cruel mistreatment and imprisonment during the Cultural Revolution. It is the moving and ultimately triumphant story of how one woman, through her courage and integrity, thwarted the efforts of a totalitarian state to bend her to its will. Cheng's refusal to confess to the false charge of "spying" had weighty consequences. Deng Xiaoping himself may owe his preeminent position in China today to the resilience and wit of this Chinese heroine.

It is ironic in view of Nien Cheng's later suffering that she and her husband consciously chose to stay on in China following the Communist revolution. Like many intellectuals who were tired of civil war and economic dislocation, Cheng welcomed the Communist Party's establishment of a stable government and believed its promises of a fair and democratic rule: "The communists advocated social justice and I was idealistic," she writes.

Cheng's husband, who had served in the foreign ministry of the ousted Nationalist government, became manager of the Chinese subsidiary of Shell International Petroleum Co. When he died in 1957, a British manager was appointed. Finding the extraordinarily complex Chinese bureaucracy difficult to deal with, he invited Cheng, who had been educated in England, to serve as his executive assistant.

With the beginning of the Cultural Revolution, Cheng's foreign education and overseas connections brought down upon her the wrath of the young Red Guards. Her house was vandalized, her possessions destroyed or confiscated, and she herself was placed under guard and confined to a single room.

But this was merely the beginning. Shell had been forced to close down its office, and Cheng was accused of "spying for the imperialists." She was arrested and sent to Shanghai's No. 1 Prison, built by the Nationalists before the revolution to hold Communist prisoners. Now things were different, she was told by a prison official: "The Dictatorship of the Proletariat uses the same instruments of repression against its own enemies."

The techniques of this new dictatorship were, however, uniquely its own. They included constant interrogations, often held in the middle of the night to deprive Cheng of sleep and make her more pliable; solitary confinement, during which even the guards were not allowed to talk to her; and one terrifying period during which she was kept not only alone but in total darkness.

Cheng only gradually became aware of the critical importance attaching to the confession that the Maoist radicals hoped to wring out of her. The radicals had carried out a purge of party officials during the opening stages of the Cultural Revolution, removing many of their enemies from high

positions. But one man, Premier Chou Enlai, stood in the way of their total domination of the government. Chou could not be attacked directly, because he still enjoyed the Chairman's confidence. It was necessary first to discredit him.

The radicals knew that the State Council, headed by Premier Chou, had given Shell permission to continue operations in China after 1949. They also knew that Chou had personally approved a travel visa to Great Britain for Cheng and her husband in 1956, an unusual move given that they were not members of the Communist Party. If Cheng could be forced to admit to spying, they reasoned, this could be used against Chou.

Cheng, however, proved an unwilling pawn in the power struggle. "It seemed to me that making a false confession when I was innocent was a foolish thing to do," she says. "The more logical and intelligent course was to face persecution no matter what I might have to endure."

What she had to endure, ultimately, was torture. Her hands were bound behind her back with a set of heavy manacles, which were kept on 24 hours a day. She was forced to eat like an animal off the table, and she could relieve herself only with great difficulty. Worse yet, the manacles were so tight that they cut into the flesh of her wrists and restricted the flow of blood. Within a few days her hands swelled up to twice their normal size, and infection set in. By the time the manacles were removed two weeks later she was delirious and near death. Yet she had not confessed.

Years passed and the radicals' fortunes declined. After six and a half years, Cheng was released from prison. She was in poor health, her hands were partially crippled from her bout with the manacles, and she suffered from an advanced case of gum disease which cost her all of her teeth.

Cheng had found the strength to survive her torture and imprisonment in part from the conviction that she would one day be reunited with her daughter, Meiping. But upon being released she found out Meiping had died in the opening stages of the Cultural Revolution. The government had never notified her.

The death had been officially declared a suicide, caused by her daughter's failure to assume "a correct attitude toward the Great Proletarian Cultural Revolution." Cheng was not satisfied with this explanation. So she set out to discover what really happened. Within a few months she knew the truth: Meiping had been kidnapped by the radicals and, when she refused to confess that her mother was a "spy for the imperialists," had been pushed out of a ninth-story window.

Cheng was finally "rehabilitated" in 1978, and the government admitted that her prosecution and imprisonment was a mistake. Several years later, she was allowed to leave China. She now resides in Washington, D.C., and is soon to become an American citizen. "The United States is the right place for me," she believes. "Here are Jewish survivors of the Holocaust, persecuted dissidents from repressive regimes, boat people from Vietnam, and political refugees from tyranny."

Throughout her book, Cheng modestly downplays her importance in the scheme of things. Yet if she had confessed to spying, the consequences for China might well have been of tremendous and tragic moment. Armed with her confession, the radicals would have bloodied Premier Chou. With Chou out of the way or weakened, the second rank of moderates, among them Deng Xiaoping, would have been exposed to radical wrath. Not only would the leading radicals, those arrested and publicly pilloried as the Gang of Four, have avoided this fate, they would have maintained or improved their positions on the Politburo. In the best case the economic reforms of the past 10 years would have come much more slowly and haphazardly. In the worst cast the Cultural Revolution, with its insatiable need for victims, would be continuing in China today.

In her great courage and personal fortitude, Cheng resembles a character out of an Ayn Rand novel. But while Rand's characters seem to come by their inner strength instinctively, or by a simple act of will, Cheng is able to face adversity because of her religious faith, her love for her family, especially her daughter, and her love for her country. Such are the prosaic but essential building blocks out of which she constructs her tenacious resistance to the radical conspiracy that seeks to overthrow all reason and moderation.

It is ironic that the moderate Chinese Communists who were the beneficiaries of Cheng's convictions are scarcely less hostile than the radicals to religious faith, societal mores, and family allegiances. Deng Xiaoping undoubtedly sees such bourgeois sentiments as interfering with the people's affection for the Communist Party. Yet he and his programs were saved by such sentiments, which have a more central role in the formation of character than many collectivists or individualists like to believe.

Steven W. Mosher is the author of Broken Earth: The Rural Chinese *and* Journey to the Forbidden China *and is director of the Asian Studies Center at the Claremont Institute in Montclair, California.*

"People Would Think You're Common"

By Stephen Chapman

Leaving Home, by Garrison Keillor
New York: Viking, 244 pages, $18.95

The durable popularity of the public radio program "A Prairie Home Companion," which finally ended its 13-year run last summer, was something of a mystery. In an increasingly urban nation, it was rural in flavor. In a fast-paced era, it was resolutely unhurried. Most anomalous was that in a period when the visual media are increasingly dominant, it was a throwback to the golden age of radio.

But to describe the show is to explain its success. It appealed to Americans' memory of what they used to be and made them not only miss it but laugh at it. The pastoral ideal runs deep in the American psyche, and it was that ideal that lay at the heart of "A Prairie Home Companion." It was a connection to the disappearing world of our ancestors.

Of course, the show would not have gained the following it did without the crucial ingredient of host Garrison Keillor. What he brought, besides his unassuming

warmth and humor, was a gift for spinning tales. Oral storytelling, which once served the function now performed by books, newspapers, television, and movies, is a dying art. Keillor made his name by a valiant effort to revive it. His third book is a compilation of three dozen of the monologues he performed each week—rambling, humorous reports on the week's events in his fictional hometown of Lake Woebegon, Minnesota, "the little town that time forgot and that the decades cannot improve." Though they suffer a little for the change in medium, they are a reminder of Keillor's capacity not only for storytelling but for empathy.

His characters are ordinary people with an ordinary talent for doing ridiculous things. He tackles a variety of subjects. Take marital discord. We meet Florian Krebsbach, who gets so flustered at being bawled out by his wife that he absentmindedly drives away while she is in a truckstop restroom. When he returns home, anticipating the worst, he finds her profoundly relieved and grateful that he has not left her for good: "He was going to tell her, but he didn't. It occurred to him that leaving her on account of passionate anger might be better than forgetting

Garrison Keillor: *A gift for spinning tales*

her because of being just plain dumb.... That night he lay awake, incredulous. That she thought he was capable of running away, like a John Barrymore or something. Seventy-two years old, married forty-eight years, and she thought that maybe it hadn't worked out and he might fly the coop like people do in songs? Amazing woman."

Turning to cultural anachronisms, Keillor recalls chicken butchering day at his Aunt Flo's: "Dad and Aunt Flo are country people, and in the country you do as you like, but Mother and I grew up in town, so we worry more about what people think, and when you have forty-seven chickens in the garage, you know the neighbors are talking. People in Lake Woebegon don't slaughter chickens anymore, not in their backyards, it's not considered decent. Oh, you might do one or two, in the evening, but forty-seven in broad daylight, a chicken massacre—people would think you're common."

Keillor also grapples with applied theology. Of a Lutheran given to frequent fits of repentance, he writes, "Granted, we're born in original sin and are worthless and vile, but twelve conversions is too many. God didn't mean for us to feel guilt all our lives. There comes a point when you

Econ

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should dry your tears and join the building committee and start grappling with the problems of the church furnace and the church roof and make church coffee and be of use."

These samples suggest Keillor's favorite themes. One is the chronic suspicion that each of us is faintly ridiculous and the fear that others will discover the fact. Another is the strong but often constricting embrace of family and friends, particularly in a small town. Keillor is nostalgic about his past but generally not sentimental: Visiting their mother's grave, a woman says to her sister, "Do you know that I still hear her sometimes —I'm washing dishes or ironing, and I hear her say, *Oh Irene you're doing that all wrong.*" Another is a Christian perspective, which doesn't necessarily mean that Keillor is religious. The Puritans strove to be in the world, but not of it. His characters feel that same distance from their natural environment, but not entirely by choice. They know that life holds many obligations and much pain.

Keillor identifies with those who don't feel entirely at home in the world, while trying gently to remind his listeners of the beauty and sweetness of the most mundane lives. His monologues, and in fact the show itself, were a weekly love letter to the world around him. His recurring prayer is, "Thank you, dear God, for this good life and forgive us if we do not love it enough." The purpose of this book is to help us love it more. It's a worthy task, winningly handled.

Stephen Chapman is a syndicated columnist and editorial writer for the Chicago Tribune.

The AIDS Assault

By Elizabeth M. Whelan

And the Band Played On: Politics, People and the AIDS Epidemic, by Randy Shilts New York: St. Martin's Press, 630 pages, $24.95

Randy Shilts has created a masterful medical mystery story, an extraordinary documentation of the beginnings of our nation's AIDS epidemic. *And the Band Played On* is a gripping, fact-filled work, packed with accounts of the suffering, struggling, selfishness, and selflessness of real people, that could only have been written by someone with the unique credentials of Shilts, a reporter for the *San Francisco Chronicle*. Shilts has been covering the AIDS scene as far back as the time when no other newspaper seemed to care a mini-column's worth about it. My only regret is that this book is not a work of fiction.

And the Band Played On is written on a number of interwoven levels. First, it is a mesmerizing documentation of the exponential spread of disease in a community—homosexual men—whose lifestyle provided the ideal medium for the explosive growth in the prevalence of a viral pathogen.

On page after page you meet young and middle-aged gay men, whom you get to know and inevitably like, or at least identify with in some way, only to crash land in grief 100 or so pages later as these men die before your eyes. You will be fascinated, and horrified, by this book. Fascinated, because for nonscientists and scientists alike, a new disease does create an electric, intellectual excitement. There's an instinctual surge of energy to get at the bottom of this new scientific mystery.

But you will be horrified as you learn the grisly medical sequence of AIDS, a disease that might well get the prize for the most gruesome way a human being can die. You meet AIDS victims who are suffering from crysptosporidium, a parasite that normally inhabits the bowels of sheep (one attending physician in desperation called in a veterinarian for assistance. "What do you do with sheep that get this?" he asked eagerly. "We shoot them," said the expert). You shiver in sympathetic suffering when you read of mortally ill young men covered with shingle-like growths, scabs shooting hot, piercing pain at the slightest touch, foam pouring out of their mouths, awaiting the steady march of the AIDS virus toward the human brain.

Second, the book provides a historical and medico-sociological context for today's AIDS epidemic. It offers a compelling description of the first identifiable cases of AIDS in Africa and documents the death of a female Danish physician who suffered from the disease while working at a remote hospital in Zaire in 1976.

We meet physicians who in 1979 and 1980 were puzzled by the previously unknown immune-deficient status of young male patients. And we are reminded of the role that our highly mobile society can play in the rapid spread of a new disease.

The book opens with a description of partying in New York on July 4, 1976, and the chilling realization that on that day alone hundreds of gay men from around the world were in that city to celebrate the bicentennial and, unbeknownst to them, to become infected with the AIDS virus during their short stay. Particularly memorable is Shilts's focus on the so-called Patient Zero, a Canadian air steward who, with his airline pass, was able to criss-cross the nation infecting literally hundreds of men, continuing to do so even after he knew his disease was contagious.

Randy Shilts: *He was covering the AIDS scene when no other newspaper seemed to care a mini-column's worth about it.*

And the Band Played On provides the most complete description yet of the pub-

lic health climate in which the AIDS virus took hold. As a result of the "liberated homosexual lifestyle" (freely defined as promiscuity, anonymous partners, and specific sexual acts that ensured contamination of the respective partners), there was, in the U.S. gay community starting in the mid-1970s, an unprecedented epidemic of sexually transmitted disease. By Shilts's account, it would be difficult to find a sexually active homosexual male by 1980 that did not suffer from Hepatitis B, some form of "gay bowel syndrome," or other viral, parasitic, or bacterial disease. For those men, disease was an unavoidable cost of their liberation.

In retrospect, of course, the failure of public health professionals to intervene to stem the flow of disease in this community may represent one of the most significant failures of public health in this century, one that apparently left this group spectacularly vulnerable to assault by a new virus. Why didn't the public health community respond in the pre-AIDS epidemic of gay disease? Most of us had absolutely no idea what these men were doing with each other. And gay physicians within the community were unwilling to take action that might be perceived as taking away some newly found freedom, including the right to anal intercourse, "rimming" (politely described as oral-anal intercourse), and other practices that would make a sailor blush.

Third, *And the Band Played On* is a book of heroes and villains. In the former category reside individuals like Dr. Selma Dritz, an infectious-disease specialist with the San Francisco Department of Health, who was appalled by the spread of disease in the homosexual community and grimly warned of the potential for havoc if a new pathogen ever broke loose. "There is too much transmission going on," she said, but was largely ignored. There was Dr. Don Francis, a prominent government epidemiologist and one of the physicians who helped eradicate smallpox, regularly expressing his fear over the consequences of the failure of blood-bank administrators—and the Centers for Disease Control—to screen blood and exclude homosexual men as donors as soon as the possibility of transmission of AIDS through blood transfusion was evident.

Shilts's villains include Dr. Mervyn Silverman who, as director of San Francisco's Department of Public Health, failed to move in a timely fashion to close the bathhouses, correctly designated by the author as "biological cesspools," for fear of incurring the wrath of gays. And especially pernicious was the role of the blood-bank industry, with its blind insistence that the blood was safe and screening was unnecessary. Blood banks were easily cowed by the homosexual lobby, which resisted discrimination against homosexual donors. The result is that thousands of Americans have died, and many more will in the future.

Finally, this is a book of barely muted outrage derived from the author's belief that this epidemic "was allowed to happen." In fairness, there is substantial emotional venom reserved for the gay community itself, the author making a clear dichotomy between sexually conservative homosexuals and the bathhouse crowd for whom he has understandable disdain.

But ultimately, the author's contempt focuses on "government" for its alleged failure to respond effectively to stem the tide of the AIDS epidemic. Shilts spends

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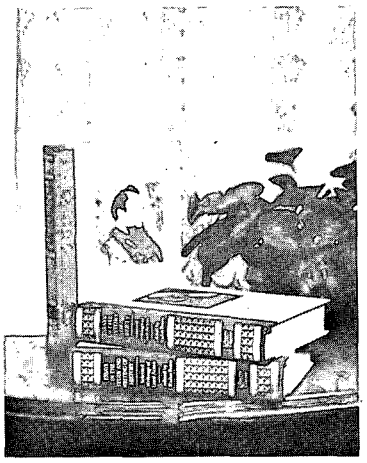

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a substantial number of pages pointing a finger at the Reagan administration for "not doing enough," with gratuitous references throughout to his belief that if it were Boy Scouts or "straight" businessmen who were affected, the president would have been on first-alert. It is here that I part company with the author's views.

First, it is likely that historians will give "government" pretty good grades for its quick detection of the surge in AIDS-related diseases. The surveillance system in place worked, as alert physicians in 1980 began to report bizarre disease patterns in homosexual men to the Centers for Disease Control in Atlanta.

Second, Shilts largely ignores the other half of the package deal that comes with freedom, in this case sexual freedom: responsibility for the consequences of one's chosen behavior. Where is the introspection here? In noting Shilts's tendency to lay blame for AIDS at the doorstep of government, I am reminded of my feelings when I observe the latest gay-rights parade here in New York. Angry young men, some of them visibly ill, shout their hatred of the Reagan administration. One sign that always shows up in these parades is: "Since Ronald Reagan was elected President, there have been 45,000 cases of AIDS in the United States."

But wait a moment. Can anyone who knows the facts deny that AIDS, as it appears in the homosexual and drug-using population, is a self-inflicted disease? A promiscuous homosexual lifestyle carries inherent health risks, and gays *knew* this by the mid-1970s when rates of sexually transmitted diseases soared. Just because AIDS or any other fatal disease was not specified on the "morbidity menu" prior to 1982, how can they look to anyone but themselves for an explanation why these infections occurred? This is not to say that gays *deserve* AIDS, any more than cigarette smokers deserve lung cancer. It comes with the territory.

Was the government blasé about the AIDS epidemic in the years between 1981 and 1984? Yes and no. "Yes" in the sense that 20/20 hindsight now shows AIDS to be a more insidious and formidable opponent than was first thought. But "no" in that federal research dollars *were* forthcoming, progress was made, and Shilts seems to have forgotten that America had and continues to have other health concerns demanding our attention. While in mid-1983 there were some 1,279 cases of AIDS on record, in that year nearly 450,000 people died from the effects of cigarette-related disease (also the consequence of a chosen behavior).

The reality is that, given the five-year-plus incubation period for AIDS, there was nothing that government or anyone else could do to prevent most of those AIDS deaths among homosexual men occurring prior to 1985. Thus, I reject Shilts's premise that "people died while Reagan administration officials ignored pleas from government scientists and did not allocate adequate funding for AIDS research until the epidemic had already spread throughout the country."

What the Shilts book lacks is the acknowledgement that the homosexual revolution was a health disaster and that there is nothing gay about being a promiscuous homosexual in the age of AIDS. It is not appropriate to continue to promote a political agenda that characterizes promiscuity as normal and acceptable behavior.

During the next decade, all Americans will be called upon to display enormous understanding and support for a dramatically increasing number of AIDS victims. (The Centers for Disease Control estimate that in the year 1991 alone, there will be some 65,000 deaths from AIDS, nearly 70 percent among homosexual men). Instead of blaming government, as Shilts does, we need to work together to get out of this mess, offering every last drop of compassion we can muster to assist the victims of this dreadful disease. But let's not, in the process, spin off on a guilt trip that this epidemic is somehow everyone's fault. We need to get on with the business of caring for the sick, enlightening Americans as to how to prevent further transmission, and accepting the reality—and educating our children to the fact—that some forms of human sexual behavior are simply hazardous to our health.

Elizabeth Whelan is an epidemiologist and the executive director of the New York–based American Council on Science and Health.

Darth Vader of Science?

By Jonathan Marshall

Better a Shield Than a Sword, by Edward Teller
New York: The Free Press, 257 pages, $19.95

Anti-Fascist refugee, brilliant physicist and nuclear weapons designer, outspoken anti-Communist, intellectual force behind the Strategic Defense Initiative: Edward Teller has had more than enough impact on modern science, technology, and politics to merit a wide audience for his new volume. A compilation of 33 essays spanning four decades, it explores the origins of the atomic bomb and merits of "Star Wars," the frontiers of space technology and the political obligations of scientists.

Written in a simple, engaging style, these essays collectively project an image of Teller as a genial grandfather-figure of American science, not at all the Darth Vader monster portrayed by the left. Indeed, open-minded liberals will find much here they agree with, including his commitment to open research unshackled by excessive secrecy, his defense of social and political activism by scientists, and his warning against leaving final decisions in a democracy to scientists.

For all the energy Teller has devoted to producing weapons of mass destruction—understandable given his first-hand observations of totalitarian persecution—he has long sought alternatives to their use. After Hiroshima, he came to believe "strongly that action without prior warning or demonstration was a mistake." Yet Teller has always been out of sync with mainstream liberal thinking. When others advocated disarmament, Teller pushed for development of the H-bomb. And when others now advocate holding onto those bombs as a deterrent, Teller proposes phasing them out in favor of nonlethal defense.

Teller gives himself too little credit for the "Star Wars" revolution. Noting only that in 1983 President Reagan "addressed

the greatest deficiency in American military preparedness" by proposing "a comprehensive research effort with the aim of rendering weapons of mass destruction impotent and obsolete," Teller nowhere mentions his own contribution to Reagan's thinking. A few months before the president's famous "Star Wars"

speech, Teller came to him with results of a theoretical breakthrough on X-ray lasers that might make space-based defense feasible. Partly on the basis of this discussion, Reagan took most of his own advisors by surprise and forever changed the terms of strategic debate.

The title of the book, taken from one of the essays, sums up Teller's strong convictions in favor of SDI. But he is too good a scientist to ignore the major hurdles that lie ahead. Although he believes "technology will probably accomplish more than the most optimistic forecasts," he admits the formidable challenge of distinguishing missiles and warheads from decoys, choosing an appropriate antimissile weapon, protecting the defense system from attack, and coordinating the entire, hugely complex system.

But scientific advances are unlikely to solve a more fundamental, conceptual problem. Since no defense can ever hope to be perfect, since any defensive system can itself be attacked and partly disabled, no nuclear nation is ever likely to abandon at least some offensive deterrent. President Reagan's critique of the immorality of "mutual assured destruction" is simply irrelevant.

Teller himself admits as much. "Defense alone may not suffice," he writes, "but defense may well make an important contribution to deterrence" by increasing the uncertainties facing an attacker. At this level of argument, the merits of strategic defense should be weighed not on grounds of morality but cost-effectiveness. Is our current deterrent credible or not? If not, is strategic defense the most efficient way to plug the gap? Teller neither asks nor answers these questions.

President Reagan's own commission on strategic forces, chaired by Brent Scowcroft, concluded that America's land-sea-, and air-based nuclear "triad" would deter Soviet attacks for the foreseeable future. If fixed missile silos are vulnerable to attack (an arguable point), the solution may be to build mobile missiles. Bombers equipped with stealthy cruise missiles and submarines remain nearly invulnerable launching platforms. Recent technological advances (stolen by the Soviet Union) appear to make subs quieter and more invisible than ever. (Indeed, Teller's proposal to base antimissile X-ray laser weapons at sea assumes submarines can survive Soviet efforts to track and destroy them.) So there's no reason to believe that the administration's rush to develop SDI addresses any existing threat to deterrence.

If a problem does exist, it lies with deterring attack not on the United States but on Europe and especially more marginal areas in the Third World. This notion of "extended deterrence," represented in its purest form by the United States' nuclear "umbrella" over Europe, is central to understanding the implications of SDI. For many proponents, SDI promises not an end to "mutual assured destruction" but rather a shield that will boost the credibility of America's threats of nuclear retaliation against Soviet attacks on U.S. interests abroad. Adding the shield won't eliminate the sword; it may merely embolden the warriors. If so, the program is far more expensive, expansive, and dangerous than most Americans, who have come to support SDI as a peaceful road to disarmament, would embrace.

Teller's failure to address these political ramifications reflects his preference for hard science. The value of the Strategic Defense Initiative, however, stands or falls not simply on future technological achievements but on its place in a coherent political and military strategy. Teller once said that such considerations are "quite outside the range" of his professional expertise. Readers of the essays that gave this collection its title should keep in mind the narrow insights that inspire his confidence in SDI.

Jonathan Marshall is editorial page editor of the Oakland, California, Tribune *and the coauthor of* The Iran-Contra Connection *(South End Press).*

Book Hints

What do Nike athletic shoes, Celestial Seasonings teas, and Nanny Pop-Ins child care services all have in common? All three spring from the entrepreneurial spirit of America's new breed of achievers. Donald Lambro celebrates these entrepreneurs in **Land of Opportunity** (Boston: Little, Brown and Co., 176 pp., $17.95). He tells us why they have flourished and why our future prosperity may be jeopardized by big government.

Alvin Rabushka compares the economic policies of mainland China, Taiwan, and Hong Kong in **The New China** (San Francisco: Pacific Research Institute, and Boulder, Co.: Westview Press, 254 pp., $12.95 paper). He contrasts the free-market policies of Hong Kong and Taiwan with the central-planning regime in China under Mao Zedong and considers prospects for economic prosperity under the new, liberalized policies of Deng Ziaoping.

A major two-volume history, **The British Political Tradition** (London and New York: Methuen; 336 pp./578 pp., $55.00/$59.95), by W. H. Greenleaf, provides a look at the major currents in British politics over the past 150 years and argues that British political life since the 19th century has been dominated by expansion of the role of government.

For many of us Albert Einstein represents the quintessential grand scientific intellectual. In **Albert Einstein: Letters to Solovine** (New York: Philosophical Library, 159 pp., $9.95 paper) we glimpse the character of this brilliant and warm scientist who is at once lively and somber, humble and proud. **—L. S.**

viewpoint

By Justin Raimondo

The Devil in Your Credit Card

KEVIN POPE

See if you can guess which presidential candidate said the following: "The unfettered laissez-faire concept of Adam Smith led to the free-booting robber barons of the nineteenth century. The story of the Rockefellers and the Vanderbilts, and other monopolistic capitalists, who built up the industrial base of our nation, but who did so at the expense of their competitors, is not a pretty one."

No, it wasn't Jesse Jackson, who has a better style if not a better knowledge of basic economics. But it had to be a Democrat, you say, perhaps Paul Simon, or possibly Richard Gephardt.

Wrong.

In fact, the author claims to be a Republican. All right, here's another clue. The same guy also said: "In the book of Revelation, there is a discussion of an individual who will become a world dictator....This individual is called the 'living creature,' or 'the beast.' The Bible tells us he has a number: 666...Revelations says that, when he comes onto the scene, he will have such dominance that no one can buy or sell without taking his mark, either on the forehead...or on the hand."

If you guessed our mystery man is Pat Robertson, televangelist turned presidential contender, you win the prize. Both quotes are from his serio-comic masterpiece, *Answers to 200 of Life's Most Probing Questions*. The book is a long self-interview, wherein Pat asks himself the questions none of the journalists will. The answers are revealing, as are some of the questions.

In between "What do you think of long hair in a man?" and "Is cremation right or wrong?" the harmless banality suddenly takes a bizarre turn: "Are credit cards associated with the mark of the Beast?" The answer is yes.

Citing the Biblical basis for his belief, Robertson asks: "So how will that mark come to be accepted? There are a couple of possibilities. Today we have developed devices called smart cards. These are tiny credit cards that have a microchip implanted in them....Now it would not be too difficult, technologically, to move from the smart card to a microchip implanted in the hand. This could be read by a laser-type device that would in turn be connected to a master computer. This could lead to a time when there would be no need for cash or checks: everything would be done by computer. With these developments, it becomes easy to see how the world may be controlled."

Robertson points to the expanding international web of computer-driven financial transactions to support his thesis. So the Beast is a computer network, and yet another pillar of American capitalism —the credit card—is declared unclean. It is not merely your Visa card that is an instrument of evil but the international financial matrix itself.

Robertson has some other pretty exotic economic views. To restrain "unbridled capitalism" and wipe out the national debt, he proposes a solution he says is God's as well. "And the Bible contains a solution to the problem of excess accumulation of wealth and power. It is the year of Jubilee. Under Old Testament law, every fifty years there was a cancellation of all debts. All the slaves were set free, and those who were in economic bondage also were set free. All the money was redistributed and the means of production was placed back in the hands of the original families."

The transformation of the Rev. Marion Gordon Robertson, televangelist prophet, into Pat Robertson, presidential candidate and would-be GOP power broker, is a miracle of repackaging. Masquerading as a conservative Republican, he calls for "minimal reliance on government at any level." Relinquishing his ministerial duties, he symbolically distances himself from his former incarnation as the prophet of the jubilee.

But a cursory examination of the record should quickly dispel this is illusion. The theme of the jubilee, to cite one example, pervades his written works, which have been reprinted as recently as last year. In an Iowa debate, he squirmed a bit when questioner Patricia Schroeder brought up the subject. But he nonetheless defended his views—this time as a solution to the international debt crisis.

Pat Robertson's ideology is anything but a "minimal reliance on government at every level." Rather, it is an egalitarianism so radical that not even the Sandinistas have thought of it.

It is egalitarianism of the right, however, akin to the "chicken in every pot" populism of Huey Long or the Social Justice movement of Father Coughlin, the '30s radio priest who railed against the dangers of Communism, the greed of Wall Street, and the wickedness of the Jews.

With an organization often surpassing that of George Bush and plenty of money to grease it, Robertson is bad news for those "enterprisers" attracted to the GOP's ostensible devotion to free markets. The libertarian children of the baby boom who make up a substantial portion of Republican voters and activists do not look kindly on Robertson. One can only hope the rest of the party will wake up in time.

Justin Raimondo is editor of Libertarian Agenda, *published by the Libertarian Republican Organizing Committee.*

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Because classic coins from before the Civil War are practically impossible to obtain in Mint State condition, many collectors have ignored them. But the classic beauty, historic significance and undeniable rarity of these coins lead to an inescapable conclusion: the Bust half dollar will likely be a market leader in years to come.

As one well known coin expert put it, Bust half dollars are "the most undervalued coins in the world today!"

Liberty Coin Service has carefully accumulated a modest quantity of Bust half dollars in attractive circulated condition. We believe it prudent to include at least 10 coins in your long term holdings. We suggest 5 coins in Fine condition, 3 coins in Very Fine condition and 2 coins in Extremely Fine condition.

Act Today! Call us toll free at 1-800-321-1542. (Alaska and Michigan call 1-517-351-4720.) Or fill in and return the coupon below.

What does a French peasant know that most Americans do not?

He knows that over time, no investment is as safe and as profitable as gold. He knows that the promises of politicians are often worthless once the politician is gone. And he knows that the value of gold endures.

That's why he has hoarded gold coins for more than a century. Mostly, Frenchmen have been satisfied with Napoleon 20 Francs in heavily circulated condition. These coins were the bulwark of the French monetary system during the 19th Century.

But the French investor prefers a different coin, when it is available: the beautiful 20 Franc "Rooster," issued from 1899 to 1914. He prefers it for its beauty and its rarity.

The 20 Franc Rooster

By any standard the "Rooster" is one of the most beautiful gold coins ever issued. Its design is dominated by a proud figure of a crowing rooster, long the symbol of France. Its obverse features the striking bust of a young woman, "Marianne," symbolic of the Republic.

Thanks to a fortunate purchase, Liberty Coin Service is able to offer the "Rooster" in unusually high grade at a price below $120! The "Rooster" offers the gold investor and collector a unique combination of beauty, rarity and attractive price.

A Special Price!

We offer the French 20 Franc "Rooster" in Choice Brilliant Uncirculated condition (MS-63 by American grading standards) at prices as low as $119 each! No other nation has a tradition of gold as rich as France. Now is your chance to acquire top quality, highly desirable French gold coins at a very attractive price.

Our supply of French 20 Franc "Roosters" in this choice condition is limited. Orders will be filled on a first-come, first-served basis, so do not delay your order.

You can confirm your order by calling us Toll Free at 1-800-321-1542. (Alaska and Michigan residents call 1-517-351-4720.) Or return the coupon with your check or money order.

Exclusive LCS Guarantee

1. We unconditionally guarantee the authenticity of every rare coin we sell.
2. We guarantee to repurchase any rare coin at the specified grade, provided the physical condition of the coin has not changed through improper storage or handling.
3. If you are dissatisfied with any rare coin you bought from us, you can return it within 10 days of your receipt for a full refund with no questions asked!

Yes! Please send me the coins I have selected below. I understand that all are backed by LCS' exclusive guarantee of grading and authenticity, and that I may return them within ten days for a full refund.

Qty

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_____ *American Bust half dollar,* Fine Specimens @ $49.00 = _____

_____ *American Bust half dollar,* Very Fine Specimens @ $65.00 = _____

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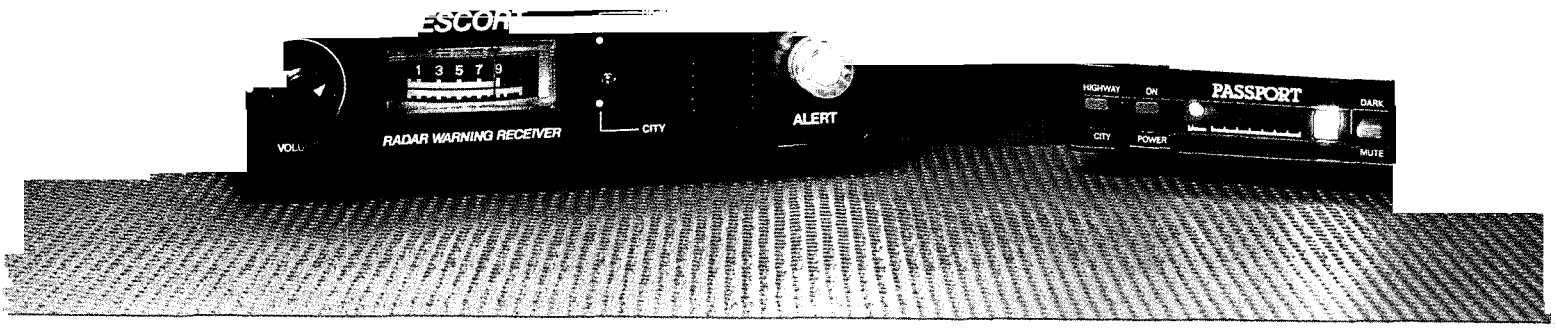


Instant-on radar:
How it works. How to defend yourself.

Instant-on radar—sometimes called "pulse" radar—has been around for years. But it's being used more frequently now as radar operators try to defeat detector users. Here's how it works.

First things first

Ordinary radar and instant-on radar use exactly the same type of radar beams. In fact, most radar guns can operate either way. It's just a matter of which buttons the operator pushes.

How ordinary radar works

In an ordinary radar trap, the radar gun is aimed at traffic and it continuously transmits a beam of radar waves. The effective range for the radar to "see" your speed is less than a half mile for most cars, longer for trucks.

How radar detectors work

A radar detector is a radio receiver tuned to radar frequency. A high-performance radar detector is sensitive enough to pick up the radar waves before you drive within speed-measuring range. It's as simple as that.

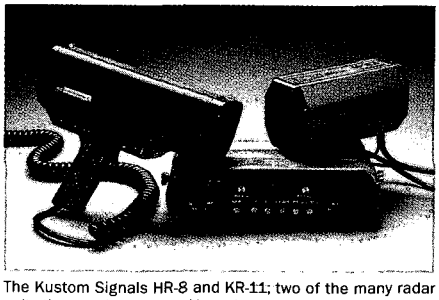
How instant-on radar works

The instant-on radar trap is set up just like an ordinary radar trap. The only difference is that the gun doesn't transmit until the operator pushes a button. So there is no radar signal for a radar detector to find.

Then when you're within speed-measuring range, the operator triggers the beam. Hence the term "instant-on." The radar reads your speed within a fraction of a second, too quickly for a human to respond.

Your only hope

Because instant-on radar is faster than your reflexes, your only defense is to identify it before you are within its range. You must detect it when the operator zaps the traffic ahead of you. For this, your detector must reach out for distant radar signals.



The Kustom Signals HR-8 and KR-11; two of the many radar units that can be operated in an instant-on, or "pulse" mode.

You're looking for weak radar that lasts only a few seconds. Finding even one such "pulse" is cause for alert. Finding a series of them, each stronger than the previous one, indicates you're approaching an instant-on radar trap that's picking off traffic ahead.

Same old strategy

Identifying instant-on radar before you come in range is the only defense today, just as it was when we first introduced Escort. That's why our warning system, used on both Escort and Passport, tells you both the strength of the signal and the length of it. You need to know both to defend yourself.

Nothing but the truth

Our warning system indicates signal strength two ways: by a meter for a visual check, by a variable-rate beeper if you prefer to listen. The length of the signal is indicated by the duration of the alert. Knowing signal strength and signal length of every radar encounter is the only way to find instant-on radar before it finds you.

Escort and Passport are the most effective radar-warning instruments available. But don't take our word for it.

In 1987, *Car and Driver, Popular Mechanics* and *Roundel* each published independent tests of radar detectors. And each gave us the highest ratings. Call toll-free and we'll send reprints of the complete tests, not just excerpts or quotes.

We're as close as your phone

We sell direct to you, and we guarantee your satisfaction. If you're not entirely satisfied within 30 days, return your purchase. We'll refund your money and shipping costs.

To order, call toll-free. Orders in by 3:00 pm eastern time go out the same day by UPS and we pay the shipping. Overnight delivery is guaranteed by Federal Express for only $10 extra.

Call now and the best defense against instant-on radar can be in your car tomorrow.

Order Today

TOLL FREE 1-800-543-1608
(Mon-Fri 8am-11pm, Sat-Sun 9:30-6 EST)

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DOING IT WRONG

When you understand that instant-on radar is nothing more than ordinary radar being turned on and off, the threat loses its mystery. Defense comes down to detecting the radar before it's strong enough to find you.

Baloney breakthrough. Yet one detector maker has added a feature it calls "Pulse Protection" to one of its models. Here's what it does:

When this unit detects the sudden presence of a high-strength signal, a "P" appears on its display and it sounds a special alarm. This is your "Pulse Protection."

The fine print. Unfortunately, the sudden presence of a high-strength signal describes an instant-on encounter when you're within range. True protection from instant-on depends on responding to weak signals, but "Pulse Protection" doesn't respond to weak signals.

The maker says this feature "tells you when you're being shot at." And that's the problem. When you're being shot at, it's too late.

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